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21 October 1981

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## REMEDY SOUGHT FOR DEFEAT OF TURKISH LEFT

Stockholm RIZGARIYA KURDISTAN in Turkish Sep 81 pp 3-4

[Text] Socialist literature has certain definitions peculiar to itself. Many things are expressed within these brief and pithy definitions and most of the time one or several of them serve in themselves to crystalize the duty and program of a particular period. The individual able to look beyond sloganism to the events does not have difficulty understanding the thrust of what is being expressed in these definitions.

The definition of German thought is one that we have addressed. The place and importance of German philosophy in the maturation of Marxist thought is recognized. Dialectical and historical materialism were able to mature only through the analysis of German philosophy. It is thanks to German philosophy, which is one of the three sources of Marxism, that the requisite melding of thought and action is possible.

In this sense German thought expresses the necessity of attaching theoretical and philosophical thinking to causes and the necessity for profound explanations. To get at the causes and explain them is always a solid start.

Because of current conditions in Turkey the definitions offered by German thought are appropriate to the Turkish left of today and what it is doing. The Turkish left (Kurds and Turks) should think in German terms with regard to the matters at hand. More to the point, it must do so.

The reason for this is that on 12 September 1980 one of the most successful military coups the world has ever seen was staged in Turkey. The military--in its own appraisal--pulled off a reasonable successful coup in league with imperialists and their collaborators in Turkey. It is this type of coup that has, through imperialist intervention, become a model for our day and eagerly awaits introduction into other countries. (One needs remember the coup attempt in Spain.) The Western world announced the attempted coup in Spain with the headlines "the Turkish model."

We have tried in our previous articles to clarify--albeit briefly--what the fascist junta wants to do in Turkey, why it came into being, etc. Consequently, the topic here is not aimed at a rehashing. Instead, it is to point out such problems as: What is the status of the Turkish left particularly after the fascist coup in Turkey and what has been transpiring within the left?

The most important problem of our day with respect to a serious socialist movement is one of "becoming." A movement that constantly examines itself, evaluates its

attitudes and relationships, and reviews its ideological and political structure can only be assessed with a "serious" aspect.

The military regime in Turkey has been in power for a year. One must admit that the junta has really gained momentum regarding its own program. And again no one can deny that the Turkish, from the standpoint of becoming a powerful alternative, has been dealt a major defeat in the face of the junta's actions (momentum).

#### What Kind Of Defeat?

1. The political activities, organizational operations, and struggle areas of a major part of revolutionary-political organizations have been smashed. Not just these organizations' militants and sympathizers but a large segment of their key leaders have been seized and arrested. A portion of these have also been killed.

(Let us make it clear that this situation is more pronounced in Turkish revolutionary-political movements and that losses among Kurdish revolutionary-political movements are far less. When less "losses" is regarded as success this indicates decisive defeat, withdrawal, and a defensive posture.)

Again the press organs used as means of mass communication by revolutionary-political organizations have for the most part been smashed.

2. The relations of revolutionary-political organizations with the masses have been broken. These organizations have been isolated by a forced disassociation from the masses. All democratic sites have been destroyed. Forces that deem themselves "democratic" have been silenced. They have been prevented from engaging in various protests where voices are raised. The most important thing in this regard is that the ties, which were in fact extremely weak and emaciated, between these "democratic" forces and socialist forces have been completely severed.

3. The gravely stricken socialist-political forces have been unable in the short term to create the means of regrouping or--at least--continuing their organizational functions. It is known that efforts in this area have been extremely limited and amateurish.

4. Attempts by socialist-political forces to form a powerful opposition block through cooperation still have not reached the levels desired. If one recalls that a massive problem emerged when organizing a protest action, it becomes apparent that efforts to form a powerful opposition block have not been too productive.

Enumerated above are the most important points that reflect the Turkish left's defeat before the fascist junta. Doubtlessly more could be added. But the significant aspect of the matter is not simply to compile examples that reflect defeat. It is to be able to find the causes of defeat.

The most pressing duty of today's Turkish left is resolving the questions of why and how

Certainly the roots of battle and revolutionary struggle are so deeply implanted in Turkish soil that no force can rip them out. And, in addition, Turkey's social, political, and ethnic topography constantly water these roots of revolutionary

struggle. Moreover, it needs to be stated that "victorious armies have generally tasted defeat." However, all this is most certainly not enough to regroup the revolutionary movement and make it an alternative force to the Turkish Government.

The victorious army is not victorious because it knows defeat. It is victorious because it learns needed lessons from defeat and tries not to repeat its mistakes.

Consequently, the Turkish left (Kurds and Turks) today should very meticulously review the historical course of its struggle. Namely, if it wants to overcome defeat, it must think in German terms.

The problem is not merely that of any group's errors nor is it the sterile "I'm right, he's wrong." Just as it is not an objective attitude to put the entire Turkish left on the same scales or direct the same measure of criticism against all its components, so is it not objective based on various group-oriented accountings to say, "I was completely wrong."

The Turkish left needs a suitably activist and radical platform for ideas and debate which is serious, democratic, and supra-group in nature.

Being serious is creating a suitable and profound framework for thought and debate; it is creating a climate for receiving and listening--without wreaking death and destruction--to other respected leftist forces who are our friends.

Being supra-group is converging extant groups and preventing the emergence of brand new groups, a significant cause of impotence. This opens the way to unity (and power).

Being activist is suitable to overcoming grievous ailments that engender pessimism and defeat. It creates opportunities to put the revolutionary struggle on a massive scale.

Being radical is preventing the revolutionary movement from becoming subordinate to bourgeois countries and assorted internal and external liberal forces; ensuring that the revolutionary movement itself stands on its own feet; and making it an alternative to the Turkish Government.

Let it not be forgotten that just as fascism's success parallels the mistakes of revolutionary struggles, so does socialism's success parallel the application of lessons learned from such mistakes.

CSO: 4654/22

## BRIEFS

**DOMESTIC ENERGY SELF-SUFFICIENCY DECLINES**--Last year imported energy made up 71 percent of the entire energy consumption of Finland. Of the imported energy, 61 percent came from the Soviet Union, 28 percent from OPEC countries, 7 percent from OECD countries and 4 percent from Poland, according to energy statistics for 1980 released by the Ministry of Commerce and Industry. The report shows that Finland's energy consumption increased by an average of 5.9 percent per year during the period 1961-1970. During the last decade energy consumption increased by an average of 2.8 percent per year, depending on energy price increases. Use of electrical energy increased markedly faster than total energy consumption. The domestic portion of energy production declined considerably during the last 20 years. This trend, however, stopped at the end of the 1970's and the domestic portion has remained at about 29 percent. While domestic energy production has declined, oil's portion of total energy has grown. Oil's portion was only 23 percent of the total consumption in 1960. In 1973 the figure was 56 percent. Thereafter the oil portion declined as nuclear power, natural gas, coal and peat came into use. Last year oil was 45 percent of the total consumption. Energy import cost 16,683 million marks last year, compared with 11,723 million marks one year before. Energy prices rose rapidly during the 1970's. At the end of last year automobile gasoline was 4.5 times, and diesel oil 5 times more expensive than at the beginning of 1970. Last year the import of oil was the greatest import expense. The cost of imports rose to 11.6 billion marks. Last year Finland exported energy with a value of 2,237 million marks. The export consisted mostly of oil products. The value of exported electricity rose to 121 million marks. Altogether 2.2 billion marks was invested in energy production. [Text] [Helsinki HUFVUDSTADSBLADET in Swedish 19 Sep 81 p 13] 9287

CSO: 3109/11

## FUTURE ENERGY PROGRAM REMAINS UNCLEAR

Paris L'USINE NOUVELLE in French 17 Sep 81 pp 64-65

[Article by Marie Sellier: "Energy: Questioning Before the Great Debate"]

[Text] What energy mix will be put before the French people? Looking toward the great energy debate in the fall, beyond major principles, no formula seems to have yet been decided.

France is therefore waiting for an energy policy. This period marks a turning point between the predominantly nuclear policy conducted by the outgoing team and this other line to be traced following the great "open" and "democratic" energy debate which will enliven Parliament on 6 and 7 October.

This is a time for thinking and for work. In the government, the Hugon working party (to make energy forecasts together with the Planning Ministry) and the Bourjol working group (to review legal and institutional aspects) have submitted their reports to Edmond Herve, the energy minister, who in turn forwarded them to the prime minister on 14 September.

In the Assembly, a fact-finding energy mission set up by Paul Quilès (the "Energy" man of the Socialist Party) is collecting opinions from leaders in the energy field. This is a period of uncertainty. For those who would like to know "what wood they are going to be heating with," it is not easy to find an answer in this mixture based on statements made during the electoral campaign (which are found in the Socialist Party document, "Energy: the Other Policy"), on "conservation" measures that do not really say anything, on declarations and brief remarks, not to mention the sometimes lively reactions to them.

What we do know are the main principles of the policy the government would like to follow in this area, which are to increase energy independence by promoting diversified and decentralized national energy production and to break the link between economic growth and energy consumption by a more rational use of energy. Beyond that, we must admit that the picture is still blurred.

The first basic question is what is the government's estimate of France's energy needs in 10 or 15 years? On this point, forecasts are likely to differ substantially from those indicated in the socialist program, which were based on a 5

percent growth (social growth) and projected primary energy consumption at 230 million tep [tons of equivalent petroleum] by 1990 (in comparison with 191.9 million tep consumed in 1980 and 242 million tep forecast for 1990 by the former government, with growth at 3.5 percent).

Thus it would be reasonable to expect alternative scenarios based on lower growth rates (between 2 and 4 percent). Whatever happens, as a comparison between the PS's and the former government's consumption forecasts shows, energy conservation is going to be the government's favorite subject.

Appropriations earmarked for this budget are certain to be increased substantially. However, if the residential and tertiary sectors really do constitute an important energy "source," then exploitation of that source will depend on a change of attitude which will not in any case occur overnight. And it is also true that the easing of the international oil market, dampening the possibility of a new oil crisis, hardly gives individuals an incentive to drastically conserve energy. Since there is no stick, the carrot will have to be used. But one of the most effective incentives—tax deductions—does not seem to have the government's favor.

As regards the place to be given to the various types of energy, it is certain that the nuclear issue will be at the heart of the debate. In fact, it has not waited until the fall to arouse people's passions. This was seen when it was announced that work would be halted at the five nuclear sites and that work to expand the reprocessing plant at the Hague would be continued. The problem does not so much concern the current program, since it is almost completed (with 45 contract units now finished or under construction, nuclear energy will provide 65 to 68 percent of electricity in 1988), as it does plans after 1990.

The key question is what will France's electricity needs be in 1990—450 billion kilowatt hours as the French Electric Power Company says, or the 350 billion projected by the French Democratic Confederation of Labor and by the Socialist Party before coming to power? What is sure today is that consumption is currently growing at a slower pace than anticipated and that electricity cannot be stockpiled. When you consider the annual cost of nuclear energy for the nation (20 billion francs), you see the importance of these consumption forecasts.

There is no question but that the government, caught in the crossfire of those for and against, is in a delicate position. It is reasonable to think that the solution proposed will be geared to please both sides: a semi-nuclear program with two or three contract units a year instead of five, for example. As for breeder reactors, it is likely that they will be subject to a moratorium, as François Mitterrand announced during his campaign.

There remain the other energy sources. Besides the problems of refining and pricing oil products—to which urgent solutions must be found—and besides renewable energy resources—and it's not clear how they could make a significant contribution in the near future (the COMES [Solar Energy Commission] budget will be no less than doubled)—it is French coal that may provide an answer.

France should produce more coal. The choice is political. It will cost the nation a lot (Edmond Hervé already announced that subsidies to the French National Coal Board would be increased by 30 percent), but it will help reduce unemployment,

if indeed there are enough French people who would agree to return to the mine. It still remains to be seen what methods will be used downstream to encourage industrialists to increase their coal consumption.

One can see that the energy issues that the deputies will have to decide on are numerous. The government's desire to have an open debate on this subject, which up to now has been private preserve of the ministries and the large national corporations, is praiseworthy. But it is questionable whether 2 days are enough for an in-depth study of such an important subject.

9805

CSO: 3100/996

## DECREASE IN RAW MATERIAL PRODUCTION OBSERVED

Istanbul DUNYA in Turkish 17 Aug 81 p 7

[Text] Difficulties in ensuring timely, adequate, and reliable energy continued to exist in 1980, but a shortage in the supply of oil and petroleum products was not seen. Because demand could not be met to the degree sought, it was repressed, and rationing measures continued to be applied. Due to the fact that reservoirs were used excessively in 1979, water levels of reservoirs remained inadequate at the beginning of 1980 resulting in decreased hydroelectric power production. In fact, hydroelectric power production in 1980 was 4 percent lower than in 1979.

Because a reliable industrial inventory of energy needs has not been conducted, it is not possible to determine accurately industrial energy demand. The maintenance of blackouts and brownouts demonstrates that the country is a long way from meeting true energy demand. In 1980, during which brownouts and blackouts accounted for 1,387 gigawatt-hours of energy, it is estimated that potential electrical energy demand exceeded 30,000 gigawatt-hours.

Production of hard coal, one of the primary sources of energy, is falling because mining in the Zonguldak river basin descends deeper each year, work is carried out in fracture zones, and discipline among the workers is poor.

There was a 9.6-percent increase in lignite production from 1979 to 1980. However, due to the fact that liaison was not established between government bodies that make decisions regarding mineral beds that are to be nationalized in accordance with Law No 2,172 and organizations that will assume responsibility for and operate these mines, absolutely nothing has been done about 536 of the 620 coal mines that are being nationalized. Of the 84 mines that the government took over, only 30 are operating. Because the 620 coal mines are not functioning to capacity, a greater increase in production has been prevented.

While consumption of crude oil, another primary energy source, fell significantly -- by 13.9 percent -- from 1978 to 1979, a concerted effort in

production resulted in a 0.8-percent increase. When the shortage of foreign exchange became less critical, there was a 3.1-percent increase from 1979 to 1980 in consumption of petroleum products. Crude oil production, however, fell 11.7 percent between 1979 and 1980.

Whereas the population increases by an average of 2.2 percent each year, per capita consumption of primary energy sources was equivalent to 731 kilograms of petroleum in 1979 and 743 kilograms of petroleum in 1980. This is approximately half of the world average. In Turkey, about 50 percent of the primary energy consumed consists of petroleum. There has been, however, no significant change in the use of noncommercial fuels, which make up 20 percent of the primary energy sources.

In 1980, work continued on exploration, pilot projects, and research in the areas of both raw materials for nuclear energy and renewable energy sources.

Heating in 1980 utilized 33 percent of the total energy consumed; electricity, 22 percent; transportation, 20 percent; and other uses, 25 percent.

Emphasis and priority were given to the energy sector in 1980. In particular, the necessary measures were taken so that investments would not be impeded. At the same time, adequate domestic and foreign financing was ensured for the construction of production facilities. In 1980, the nation's 380-kilowatt lines in its interconnected system were extended to 2,974 kilometers and its 154-kilowatt lines to 13,470 kilometers. Electricity was taken to 2,739 villages raising the total number of villages with electricity to 18,105.

Developments expected in 1981 include:

In addition to placing necessary emphasis on and giving priority to the entire energy sector, the strategy to be pursued in this sector in 1981 in accordance with principles of the plan will be to develop hydroelectric resources from the standpoint of long-term goals and coal resources from the standpoint of short-term and moderate-term goals.

The percentage of export products of total industrial products is gradually increasing. While it comprised 17.7 percent in 1960, it rose to 29.8 percent in 1980. The inability to ensure energy creates shortages of vast dimensions in the nation's industries and limits exportation possibilities.

It is known that lignite will do the most to close the energy gap in Turkey. From this standpoint, great strides must be made in lignite production. A 28-percent increase in lignite production is planned for 1981, and lignite beds that were taken over by the public or that had ceased being mined are to be utilized.

Continuous and close cooperation is sought between the ETKB [Ministry of Energy and Natural Resources], the SPO [State Planning Organization], and other related and affiliated organizations so that technological developments in energy production and distribution can be followed closely and so that adjustments can be made to suit conditions that exist in the nation.

Efforts to make a transition to nuclear energy will be intensified, and work will begin on a long-term basic plan. Commercial applications will be developed for renewable energy resources, and, based on results of the biogas pilot project that is underway, use of this source of energy will be ensured throughout the nation in the most rational manner possible.

It does not appear possible to meet the entire demand in 1981 for the energy -- electrical energy in particular -- that will be required when industry uses more and more of its capacity due to the fact that the difficulties noted in the economy have been overcome to a great extent. Therefore, it is necessary to put energy conservation measures into application. Accordingly, the necessary measures will be taken to prevent losses of up to 30 percent in the use of coal in particular; to establish industrial facilities that utilize coal when possible; to ensure that a transition is made from fuel oil to coal when this is economically feasible; and to ensure that conservation of energy takes place in industry and in heating.

A great loss to the nation's economy comes from the use in heating of hard coal that could be made into coke. If this is prevented, all the hard coal can be assigned to the metallurgy industry.

In 1981, the following will be put into operation: units I and II of the Soma B Thermal Power Plant producing 2x165 MW; Tuncbilek B Thermal Power Plant, 2x150 MW; units I and II of the Yatagan Thermal Power Plant, 2x120 MW; the Geothermal Power Plant, 1x15 MW; Dogankent Hydroelectric Power Plant, 4.0 MW; and Aliaga Combine Turbine Gas-Vapor Power Plant, 2x30 MW.

11673

CSO: 4654/164

**GROWTH IN TRADE WITH SOVIET UNION EXPECTED TO LEVEL OFF**

Helsinki HELSINGIN SANOMAT in Finnish 12 Sep 81 p 30

[Article by Pentti Suominen: "Growth in Soviet and Finnish Trade Slowing Down"]

[Text] Moscow--After 2 to 3 years of exceptionally fast growth in trade between Finland and the Soviet Union, a slower growth is now anticipated, a kind of "clearing up period", as a certain expert on Finnish-Soviet trade described the matter recently in Moscow.

The sums mentioned in a commodity exchange report compiled at the end of last year were exceeded by several billion markkas during the year.

In the current year trade will continue to grow significantly in comparison with the previous year and experts believe that the nearly 25-billion markka limit in the commodity exchange report will be exceeded.

But it is already predicted that next year's growth will be slower and this year trade will apparently level off after 2 export deficit years for Finland. It is estimated that next year's trade will continue to remain level or perhaps there will be a slight export surplus for Finland.

The anticipated slower growth in trade is primarily the result of the cooling off of the fuel markets. Experts say that the uncontrolled market prices for oil were the main reason for the unprecedented growth figures of recent years.

At the same time that Finland had to pay more for oil imported from the Soviet Union, it also had to find more and more export products suitable for Soviet markets in order to balance the trade.

And even though new products were found, the trade exchange remained on the deficit side for Finland in spite of the fact that payments for Kostamus falling due last year reduced the otherwise perceptible trade deficit.

In its oil prices the Soviet Union has to a considerable degree followed OPEC prices, which have remained, and it appears will continue to remain, stable because of the oil glut prevailing in the world markets.

Price increases at the end of last year will affect this year's imports to some

degree, but there have been no new increases in the current year and no large increases are anticipated for next year either.

On the contrary, certain OPEC-countries have either publicly or privately been forced to reduce the price of crude oil and experts estimate the current average price to be 33--34 dollars per barrel while Finland pays perhaps 36 dollars a barrel for Soviet oil according to unofficial sources.

Saudi Arabian Oil Minister Sheikh Ahmed Zaki Yamani stated recently that it would be destructive to increase oil prices in the near future in a press statement that aroused somewhat conflicting criticism.

The levelling off of growth in trade means some problems for certain export areas which will not be able to find Soviet import products suitable for Finnish markets.

Soviet foreign trade officials are now saying privately that next year they will have less money available for purchases than this year and the last couple years.

Finnish-Soviet trade based on a commodity exchange will have to be balanced over the long term in accordance with an agreement concerning this trade.

#### Exports To Be Cut

It is self-evident that in the last couple years Finland has been able to export various products to the Soviet Union comparatively freely since there has been an effort to balance the imbalance in trade exchange caused by the increase in oil prices, say the experts.

And it is just as clear that certain areas will now have to cut back exports to the Soviet Union since there is no compelling need to adjust the export deficit.

Recently Moscow stores are carrying more Finnish consumer goods, textiles, and food products, which will perhaps suffer the most from future cuts even though they are very important to enterprises in order for them to meet the ever growing demand for consumer products by the Soviet people.

"Finnish cigarettes will be the first to go," predicted a certain exporter.

On the contrary, the metal industry will remain strong according to estimates and it has already reached an agreement on boat deliveries worth nearly 10 billion markkas for the five-year plan beginning this year.

It is also believed that products of the wood processing industry will continue to have a market although the growth figures for the last couple years will certainly not be exceeded, say the experts.

#### New Products Being Sought

Those involved in Soviet-Finnish trade say that Finnish enterprises have a strong desire to export and that Soviet buyers are satisfied with Finnish products. How-

ever, import products suitable for the Finnish markets must be found in order to increase this trade.

At this time machinery and equipment make up approximately 10 percent of Soviet imports and the remainder is comprised of fuels and other raw or semiprocessed materials.

In the Soviet Union it is known that Finland wants to import more cotton, ferrous metals, and certain laminated products, among other things.

Finland would also willingly import raw wood and tractors, but these are difficult import articles because of difficulties with the Finnish tractor industry and the price fixing related to Finnish wood products.

The Finns would also like to purchase more special chemicals, but the Soviet Union does not have enough for its own consumption or it can get a better price for them elsewhere in hard currency.

10576

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## BRIEFS

SCIENCE-TECHNOLOGY PACT WITH USSR--It is planned to continue to develop cooperation between Finland and the Soviet Union in the exploitation of natural resources in the northern continental shelf of the Soviet Union and it is for this reason that a scientific-technical committee on cooperation decided to establish a special work group at a meeting that concluded on Tuesday in Moscow. The Soviet Union's increasing interest in the northern areas has resulted in orders for Finnish ships amounting to billions of markkas and has guaranteed work for our shipyards for a long time. The interest of the scientific-technical committee on cooperation in this matter indicates that the Soviet Union is ready to procure more ships and other equipment suitable for the difficult conditions of the Arctic Ocean. The committee, which just concluded a 2-day meeting, will not make any trade policy decisions, but opportunities for scientific cooperation in various areas will be studied within the framework of the committee. Actual trade decisions will be made by the Permanent Economic Commission of the two countries, in agreements concerning various trade intervals, and finally between Finnish enterprises and Soviet export and import organizations. Interest on both sides in the development of cooperation in the northern areas of the Soviet Union manifested itself in the document signed at the 27th joint meeting of the Scientific-Technical Committee on Cooperation. For the Finnish side it was signed by Pekka Jauho, director of the State Technical Research Center and chairman of the Finnish delegation and for the Soviet side by Arnold Romanov, deputy chairman of the State Committee on Science and Technology and chairman of the Soviet delegation. The next meeting of the committee will be held next year in Finland. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 10 Sep 81 p 25] 10576

## STATE ENTERPRISES FACE ECONOMIC DIFFICULTIES

Athens VIOMIKHANIKI EPITHEORISIS in Greek No 37, Aug 81 pp 37-38

[Text] At the present time, serious problems of a permanent rather than a coincidental nature have been created from the operations in the public sector of the economy. The restriction of the deficits in the public sector is a basic condition for some improvement in the monetary situation, while the improvement of its productivity will define to a great extent the progress in the readjustment process of the economy in the free market world it will have to cope with in a few years. The state enterprises appear at the present time as the most critical side of the public sector that are of general interest.

This observation is especially important since it is contained in a recent report of a state enterprise (the Commercial Bank of Greece). This report, included in OIKONOMIKO DELTIO Economic Report (No 107) of the bank, underlines the following points among others:

General inflationary pressures from the public sector and the problem of satisfying the financial needs of the state enterprises have been coped with at an international level in the post 1973 phase of economic development. Of course, the respective problems in industrial countries appear different than the problems in Greece. The cost of insuring unemployment in those countries is the main reason for inflated public expenses. As far as the state enterprises are concerned in particular, the new problem that is being confronted in the framework of an anti-inflationary orientation of the economic policy is the restriction of their public needs within the limits of available means of credit to cover all of the needs of the economy without an inflationary extension of credit.

In the case of the Greek economy, the financing of state enterprises entails many more direct and inflationary influences. Pumping deposits in funds through the money market for financing their investments was impossible during this phase and the covering of its deficits leads inevitably to a monetary expansion. The table below indicates the total result of the principal state enterprises as stated in the report of the 1980 budget, based on 1979 information.

**INVESTMENTS AND TOTAL RESULT OF  
14 STATE ENTERPRISES IN 1979  
(in millions of drachmae)**

|                                                         | Investments   | Shortages*     |
|---------------------------------------------------------|---------------|----------------|
| DEI Public Power Corporation                            | 25,000        | -23,860        |
| OTE Greek Telecommunications Organization               | 7,030         | -6,270         |
| ELTA Greek Posts                                        | 105           | -1,286         |
| OSE Railways Organization of Greece                     | 600           | -3,197         |
| OA Olympic Airways                                      | 4,000         | -4,811         |
| OAS Urban Communications Organization                   | 1,276         | -2,806         |
| ILPAP Electric-Powered Buses of the Athens-Piraeus Area | 214           | -367           |
| ISAP Athens-Piraeus Electric Railways                   | 254           | -325           |
| ERT Greek Radio and Television                          | 56            | -403           |
| OLP Piraeus Port Authority                              | 500           | -15            |
| OLTH Salonica Port Authority                            | 97            | -71            |
| DETh Salonica International Fair                        | 41            | -82            |
| Aspropyrgos Distillery                                  | 651           | -613           |
| OAP Capital Area Drainage Organization                  | 1,084         | -854           |
|                                                         | <u>40,944</u> | <u>-44,818</u> |

\*From the current management and investment

Source: Introductory Report on the 1980 Budget

A total deficit of 4.2 billion drachmae resulted from the current administration in 1979. To a great extent, this resulted from the state enterprises in the transportation sector. The two largest enterprises, the Public Power Corporation and the Greek Telecommunications Organization have shown surpluses. And yet, these surpluses covered only the smallest portion of their investment needs that absorbed large sums. Thus, the investments that were effected in 1979 together with the current deficits of these state enterprises represent a total financing deficit of 45 billion drachmae.

A set reason for the deficits of the state enterprises are, of course, their organizational weaknesses.

The enterprises that are referred to in the table that belong to the public utility category spent a total for current expenses coming to about 30% of the total expenses of the government budget. In addition to public utilities, other state enterprises are operating that belong to two other categories: the agricultural industries and the enterprises that are in some form of banking. The total operating cash flow of all three categories of state enterprises for 1979 was calculated to be 145 billion drachmae. That corresponds to about 46% of the income of the government budget. This relationship shows the importance of the state enterprises to the Greek public sector in the broad sense.

The total number of personnel of state enterprises for all categories, about 130,000 persons, corresponds to almost 9% of the total number of people employed in the civilian sector.

Besides, the gross product of the state enterprises corresponds to about 7% of the local gross product. Very few of the state enterprises of any kind are engaged in a productive activity of a private economy type and their economic importance is completely insignificant on the basis of their participation in the total economy and in the national product. All the others are substantially public utility enterprises and operate as monopolies. A special case for nationalization are the big banks that operate on a purely profit motivated private economy basis and could be considered a part of the public sector.

The Greek state enterprises have been established and developed under conditions that apply generally to the governmental mechanism of the country. They too present certain of the weaknesses that characterize generally the governmental mechanism. Their regulatory situation is different, of course, from the corresponding one of the public services in many respects and thus ensures great flexibility, smaller pressure from bureaucratic red tape and wider potential of choice. But the economic organization is influenced to a substantial degree by factors irrelevant to their objective. When these factors intervene, they obstruct the maintenance of the principles of correct operation. These kinds of interventions are indeed made easier many times, from another viewpoint, by the same advantage of the freer regulatory situation of the state enterprises.

Since the Greek state enterprises are, with insignificant exceptions, public utilities, the correctness of their operation cannot be judged by their final administrative results that do not depend only upon the production cost structure, but also upon the selection of a price policy with extra-economic objectives as a criterion. As far as the present situation is concerned, however, there are indications leading to the conclusion that a general drop has been noted in the productivity of state enterprises in comparison to the period prior to 1974.

The sudden rise in expenses restricted the potentialities of financing the investments. Their levels after 1973 correspond to an ever lessening percentage of the total gross investments of fixed capital. Parallel to the great drop in investments of the state enterprises, if they are calculated on fixed prices, there was also a drop in the percentage that was covered by self-financing. The expansion in number of personnel and the increase in salaries have led to a change in the percentage of labor and capital in the gross product of the enterprises. The ratio of the former has increased and the ratio of capital has decreased.

9346

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## HOPEFUL SIGNS IN 12 SEPTEMBER ECONOMY EVALUATED

Istanbul MILLIYET in Turkish 12 Sep 81 pp 2, 4

[Analysis by a panel of leading Turkish businessmen, moderated by Ertugrul Soysal: "The Turkish Economy on The First Anniversary of 12 September"]

[Text] Participants in the forum: Dr. Nejat Eczacibasi, industrialist and businessman; Mehmet Yazar, president of the Turkish Union of Chambers of Commerce, Industry, and Stock Exchanges; Ali Kocman, chairman of the board of the Turkish Industrialists' and Businessmen's Association; Ertugrul Soysal, moderator; Ozcan Ercan, assistant.

Soysal: "I welcome our honored guests to the MILLIYET forum. Our newspaper has decided to resume its traditional weekly forums, starting today, and to add to their variety and richness. We feel special pleasure in the fact that the first of these forums coincides with a happy anniversary for Turkish society.

"We want to hear what you, our worthy and well-qualified friends, have to say regarding the state of affairs that brought Turkey to 12 September, the year's developments, and your expectations of the structure that will be handed over to a future parliamentary administration. First, I would like Mr. Mehmet Yazar to state his opinions."

Yazar: "In Turkey, the period from late 1979 to early 1980 constituted an era in which all macroeconomic balances had been wrecked, an era dominated by a total lack of economic stability.

"The picture included three-digit inflation: among phenomena connected with it and causing it were a desperate shortage of hard currency; a double system of prices due to the fact that price mechanisms weren't allowed to function freely; a lack of basic commodities; increasingly declining productivity; strikes and lockouts that increased in number every day; tensions between workers and employers; the decline in social disposable income and marginal disposable income to a very low level, both of which I consider very significant; and along with all of these, the existence of a number of black-market activities due to the fact that the mechanism of the marketplace was not operating. In the midst of this picture of disrupted balances, the governments of that day decided to take the measures that had to be taken, even if these measures had been delayed. They introduced a series of measures that have gone down in economic history as the 24 January stability measures. The aims of these measures included decreasing the intervention of the state in the economy in

order to make the economy more stable; stopping or controlling inflation; balancing demand and productivity by reducing demand through manipulations of credit and the money supply; to open up the economy to outside investment; and, in order to make all this possible, to demand a certain degree of willingness to sacrifice on the part of society.

"However, in the midst of the turbulent background of the political atmosphere of those days, some decisions necessary for carrying out these measures could not be taken. Some examples of these were the tax laws, the inability to prevent strikes and lockouts, the inability to achieve calm and public safety, and above all, the fact that no serious decisions emerged from the parliament, given the parliamentary arithmetic of those days.

#### 12 September Gave Rise to Public Confidence

"The events of 12 September took place at a time when Turkey was in the midst of great political, economic, and social problems and upheavals. With the 12 September military intervention, we are sensing the slow recovery of an atmosphere of confidence in our society.

"Important balances in the economy have been restored, and inflation has been brought under control, its rate reduced to the 35 to 40 per cent range. The growth in export income and worker remittances of foreign currency has brought our foreign exchange balance to a sounder state. While production had been in a state approaching a complete halt, today it shows a certain amount of recovery, generally an increase in the range of 11 per cent. The budget has been placed on a sounder basis, a balanced budget has been drawn up, and, what is most important, there has been an increase in the public's willingness to invest in savings, with a large increase in bank deposits. On the microeconomic level, on the level of individual firms, the results of these kinds of operations are evidently forceful, even to the point of creating difficulties."

Soysal: "Dr. Eczacibasi, would you please explain your views?"

Eczacibasi: "Like Mr. Yazar, I would first like to thank you for providing such an opportunity. I concur with nearly all of Mr. Yazar's views, but let me try to explain my views by using an example closer to my own profession, medicine. The physician at the patient's bedside is wary of making a false diagnosis. Provided he makes the correct diagnosis, he accordingly prescribes a method of treatment. The diagnosis of Turkey's economy was correctly determined by the events of 12 September. The diagnosis was the following: Turkey was suffering from inflation that was out of control and this inflation was about to affect investments, it was about to make the distribution of wealth even more regressive. Inflation had to be stopped. The second bottleneck was in the balance of payments. The cure was found to be the following: demand had to be restrained from extremes, rates of interest had to be left free to fluctuate, government expenditures and revenues had to be brought under systematic control, the problem of the SEE had to be solved. We had to turn to exports, to assume a rational indebtedness, to work hard at trying to find petroleum, to lay stress on foreign capital.

"The treatment has been successful. We are seeing exports attaining unexpectedly high levels. I believe they will reach 4.5 billion TL. With remittances from workers, tourism, currency transfers from our contractors who have begun to compete for foreign contracts, and a small amount of foreign aid, Turkey's foreign payments balance today appears to have reached a healthy state.

#### Is Turkish Industry Ready for Exports?

"Today we are witnessing an unexpected explosion in exports, and we're very proud of this. We want it to go on, but how optimistic are we in this expectation, and is there any harm in feeling concerned about it? Anxiety is not always destructive. It is also a helpful factor in enabling one to be more constructive. For one thing, there is the Iran-Iraq war, and we have seen this factor aiding our exports. We mustn't forget the possibility that this war may not continue. A very important factor is the reality that Turkish industry is still not ready for exports.

"Over a period of ten years Turkish industry did not change its direction. Since 12 September, however, Turkey's industry and economy are moving towards a change in direction. Let us not forget that exports are also dependent on other factors, such as Turkey's energy problem. We represent a 1.6 per cent share in world trade. It may not be very easy to increase this 1.6 per cent share with any rapidity. We cannot expect every one of our industrialists to turn into a 'business-statesman.' Another factor is that of financing. The ratio of real capitalization to indebtedness in our enterprises has deteriorated to an extraordinary degree. It has deteriorated to such an extent that we have had to create an inflation in production in order to prevent an inflation in consumer demand. What effect will all this have on exports? Every devaluation has made our industrial products more expensive. This, too, has its origins in the large scale involvement of Turkish industry with projects oriented towards foreign trade. As for the problem of the SEE, this is also a very crucial problem that we can only hope will be resolved."

Soysal: "Mr. Kocman, as the chairman of TUSIAD we would like to hear what you have to say."

Kocman: "Thank you, Mr. Soysal. As we begin our discussion of the results of the 24 January decrees, we must first establish and survey the state of the Turkish economy as of 23 January in a manner that is acceptable to everyone. In fact, the 24 January decrees represented a decision to take a Turkey that, from an economic standpoint, had reached the brink of bankruptcy, and to begin the process of getting the wheel of the economy to turn again. At the same time, I don't think it is right to try to evaluate the final outcome of the 24 January decrees as of this date. With the figures of 24 January, the Turkish economy was made functional, and a change was desired and brought about in Turkey's own particular economic model.

"In fact, by the decisions of 24 January Turkey's economy acquired a new structure and a forward looking, hopeful outlook. The most evident aspect of these decrees was the fact that they followed an anti-inflationist policy, that they encouraged savings, and that they favored exports.

"Turkey in 1980 presented a picture of a state that had great weaknesses not only with regard to its economy, but also on the social and administrative level. In particular I have to emphasize the political mechanism. The fact is that the deterioration of public morale in Turkey, with destructive effects not seen even in the darkest of days, was brought about by inflationary policies, and inflation was used ruthlessly as a means of securing political advantage. Even more than discussing the results of the 24 January decrees, I am in favor of a broader and more serious discussion of at what point and to what extent politicians will be allowed to use inflation as a weapon in the future, and, if such permission is to be withheld, what measures will be taken to this effect as we set about establishing a new system of government.

"I do not concur with the view that the 24 January decrees and their effects cannot be a subject for discussion. A number of distortions in the implementation of these decrees, and various supplementary measures that ought to be taken--and in these points I agree with Dr. Eczacibasi--are among the topics that should always be open for discussion among economists, fiscal officials, businessmen, and individuals at every level. The 24 January decrees should definitely not be tied to the fate of a given team of officials. This is because the alternatives to these decrees would bring about a dilemma involving our ability to preserve a balance between investment and employment without having to resort to increasing the money supply and inflation, while at the same time dealing with meeting industry's need for low-cost credit. This is a problem that all countries have come up against.

#### The Point Reached Today Is Better Than We Hoped For

"In my view, this new era represents an evolutionary change, a new event that the liberal system has successfully settled on and is passing through steadfastly. It means a reordering of priorities, as both Europe and America begin to recognize inflation as a great danger in the task of establishing a new equilibrium, and as these countries implement anti-inflationary measures in a serious fashion, in spite of all the difficulties. I also wish to state one more thing: if on 23 January 1980 I had described to you the economic picture in which Turkey finds itself on 12 September 1981, you and the other members of this panel, all of us would have called it a highly unrealistic and optimistic prediction. The recovery of the Turkish economy and the point it has reached today is, I believe, not a delayed development but rather one that has been reached ahead of time. We now have a state that is rapidly recovering its health and an economy in need of control. There is a group in the private sector that, although faced with grave difficulties, looks to the future with hope, willing to shoulder any sacrifices that might be incumbent upon it. This is why I believe that economic developments, on the whole, have been very positive. Thank you."

Soysal: "Now I would like to ask Mr. Mehmet Yazar, president of the Union of Chambers, his views regarding a situation that many people have been complaining about, that is the problem of the halt in investments, the lack of investment and the decline in employment or the inability to increase employment."

Yazar: "Thank you Mr. Soysal.

## The Danger of Inflation Is Not Over

"Since the decrees of 24 January chose to deal first with the problem of bringing inflation under control, they had to sacrifice growth, development, and in connection with this, up to a point, they had to sacrifice the problem of unemployment, and they did so. After arriving at the point where a sound economic structure had been achieved, this was a problem that had to come to the top of the agenda, and in fact after the one and a half years we have passed through, the problems of unemployment and undercapitalization are beginning to be talked about in Turkey. But inflation has not entirely ceased to be a problem. The second point is that we must not, if at all possible, deviate from the market economy we have all been defending as we put forward our proposals and recommendations. This means that we have to take care at every step we make, that it be of a sort that will continue to add to the strength of the market economy, a step that will decrease state intervention, adding to the sound working of the price mechanism. Provided we approach the matter while keeping these two criteria in mind, we see that Turkey made sacrifices in investment and employment because these sacrifices were necessary.

"As for the topic of unemployment, I don't know how and by what methods unemployment is calculated in Turkey. After all, there are those in Turkey who are out of work but don't want to work, or who are seasonally unemployed, there is hidden unemployment, and so forth. If you look at it from one angle, our firms cannot fill many openings for trained personnel even though they advertise for them, while at the same time at some levels you come across job seekers, and you find still others to whom you have given a job but are still not working. I believe that I've received the impression that unemployment is not at any extreme level. This does not mean that we should neglect this in our agenda. It only means that it has a great deal of importance from the point of view of our future, once we have controlled inflation and achieved a certain stability, that investments begin again to a certain degree, essentially as an outgrowth of the structure we have created."

Soysal: "Now I would like to direct the following questions to Dr. Eczacibasi: we see increases in prices in Turkey, especially in consumer goods, while at the same time an escalation in interest rates has become the topic of the day. I would like to ask you about the function of these price increases and other tendencies in the individual citizen's inclination to put his money into savings, to invest it at high interest rates. At the same time, I would like to ask for your views on the subjects of foreign capital and social housing, since both of these enter into your specialty."

Eczacibasi: "There is general agreement among our friends that the measures have been beneficial to Turkey's economy. Now permit me to begin with the subject of foreign capital. There is a law on the subject of foreign capital that we have underlined, law number 6224. When this law number 6224 was enacted, people said that Turkey was being sold. That's how liberal a law that was. In spite of this, foreign capital has not come to Turkey. From time to time people have tried to connect this with our present regime, which I think is a very misguided view. To show how wrong it is, it is enough to point out that at the present time Western countries are in a race to invest in communist countries.

## Peculiarities in Our Policies on Foreign Capital

"As an example, investments are being made in Yugoslavia and Russia, even China. In spite of this, during the period 1954-1980 only a total of \$325 million in foreign capital was invested in Turkey. In the year 1979 alone, Ireland received \$4 billion in foreign investment, while during the same year \$1.5 billion in foreign capital was working in Greece. This picture is the result of vacillating positions. From now on, new foundations will be laid for Turkey's economic and political direction. I have no idea how this is to be done, however I have an idea that foreign capital expects stability. We have done many strange things in applying our policies, and in recent days people in Turkey are talking about the high price of credit. We're also faced with some contradictory figures. For example, the experts say, if inflation is at 40 per cent, is an interest rate of 50 per cent too much? If we deduct taxes from that 50 per cent, we receive a net income of 37.5 per cent, which is even less than inflation. Some experts also say, 'didn't the state promise to lower inflation rates still further? If that is so, then we ought to calculate rates of interest to come close to the lower figure that's coming, or even that interest paid out should be even lower than that figure.' But the fact is, the interest that we think we get from banks is not at a realistic rate. We also know of interest rates today running at 7 to 8 per cent a month. These are loans contracted in order to stay in business, most of them in industry. Whenever I talk to individuals who have made a place for themselves in industry, I see that they are in a tormented state as far as money is concerned. Isn't it possible that bankers could work a little more in the direction of savings? To propose sacrifices on the state's part these days is probably impossible. As you know, they have lowered the taxes on expenditures from 25 to 15.

"There is also the latest law on the capital market. In that, too, I see the following hole. These days, investment brokerage firms are cropping up pellmell like mushrooms out of the ground. According to the latest figure I have, there are 840 brokerage firms in Ankara alone, and this is a dangerous figure. It's the state's duty to protect the safety of people's money. I see the limitation of the term of the capital market law to six months as a very dangerous thing. In a six-month period I think there will be many dishonest operators cropping up.

"A law on public housing has been enacted, and it was necessary. The sector was in the hands of the private sector, and it was uncontrolled, operating wastefully, bringing about costly results, without being tied to any law. It was necessary that this be put in a framework and connected with legislation. My observation is the following: the state probably says, 'since I am providing the parcel of land, since I am providing the infrastructure, why can't I do this, too?' This new law on social housing is of a sort that will shake up the private sector that controls 93 per cent of the construction business. We have also seen how many houses have been built by the Turkish Real Estate Credit Bank Corporation for a market demanding 300 thousand units each year. We have also observed some dangers of the state engaging in construction on its own in past periods. My own wish is that the private sector not be derailed by the new social housing law.

"The SEE are our number one problem.

"In Turkey, to speak up on behalf of the SEE is presented as a defense of our economic system, while to advocate the liquidation of the SEE brands one as a defender of the capitalist system. In the midst of such a fanatical dispute, no consensus can be reached on problems with the SEE, even on problems that everyone agrees are there. I favor the creation of a consensus on the subject of the SEE by bringing together the directors of the public sector with the people responsible for the country's economic policies and with the Turkish private sector."

#### The SEE Have Been Foolishly Politicized

Kocman: "The present administration bears a historic responsibility for putting the SEE in order. I have never favored the SEE, like a mammoth, taking up the largest share of the economy without being able to produce any return. Socialist economic ideas had not even a distant connection with the idea behind the establishment of state economic enterprises in Turkey in the 1930's. The SEE were directed by a more disciplined and perfect management than is found in the most successful parts of the private sector today. What is at fault in Turkey is neither etatism nor state management. I must say it openly, we have reached the condition we are in today because, after the transition to democracy, the SEE were foolishly politicized. We must make certain that our future statesmen and politicians will not be given any weapons which they will be able to use to derive political benefit from the SEE.

"There was always one defense of the SEE that was put forward, saying that they create jobs. I also reject this view. Saying that jobs were being created, in years past cadres were created and the people hired by the SEE were the supporters of the political parties in power. And we are concerned that many of these held more than one job.

"The problem of the SEE is a problem of management and production. If we are able to take the decisions that will return the SEE to the condition of the SEE in the 1930's, and if we are able to undertake the necessary operations, we will see that they will continue to have positive effects on Turkey's economy, always providing that they remain open to competition. But within today's economic trends, we fear that the SEE will require a continuous and increasing subsidy from the public treasury. A historic responsibility awaits our present administrators. This responsibility concerns the problem of performing the necessary historical operation on the SEE and to bring the SEE to a point where they will be positive units of Turkey's economy. Assisting with this problem is a responsibility that must be accomplished without succumbing to any political point of view and prior to the return to a democratic form of government. I stress that this problem is as vital and important as designing a new constitution for Turkey."

Soysal: "Mr. Kocman, what are your views?"

#### Foreign Capital Will Not Come Over The Short Term

Kocman: "I don't believe that there will be a large-scale flow of foreign capital into Turkey over the short term. The reason for this is that foreign capital is a valuable commodity that is very sensitive, very skittish, circumscribed with too many conditions, but if it's used in a serious way, in an intelligent way that will seriously benefit the economy, then it has a great contribution to make. I should

say that it is, regrettably, true that foreign capital regards socialist countries with a more serious eye, from the standpoint of stability and mentality, than it does Turkey. Turkey's views on the subject of foreign capital have always been expressed in the form of wishes, but no clear measures have been taken to bring in foreign capital. I want to state that we are obliged to unflinchingly exercise every possible effort to bring in foreign capital and technology, especially in the fields of tourism, the agriculture industry, stressing mining and energy, stock raising, working the soil, sea and land transportation. I concur with Dr. Eczacıbaşı on the subject of the capital market. Leaving the interest rates on capital free is a natural rule of the free market economy. But a basic precondition of this is that the party paying the interest be required to guarantee not only the amount of interest to be paid, but also the repayment of the initial amount of money he received. Only that can prevent this from turning into a speculative market battle and only that can avoid the citizens' expectations turning into a new disappointment. I am of the opinion that this state of affairs, which today has turned into a speculative competitive battle, must be brought to an end."

Soysal: "My dear friends, I would now like to ask you about your expectations for the period after 12 September 1981, looking into the future. As we evaluate these expectations, I also point out that we cannot stick to pure economics. That is, your evaluations should be political as well as economic, and even a little on the socio-economic side. Turkey is progressing towards a parliamentary regime with firm steps, holding on to the promises of today's military administration. What sort of inheritance will today's economy hand over to the parliamentary regime? I ask you to give me your evaluations on this. First, I would like to address the question to Mr. Ali Kocman."

Kocman: "Thank you, Mr. Soysal. I am a person who as of the last moment has not lost his optimism regarding Turkey's economy. I did not lose my optimism in 1978, 1979, or in 1980. On 12 September there were many more reasons, compared to those years, for me not to lose my optimism. Turning to the future, I again look with optimism on Turkey's economy, in spite of all hardships and difficulties. This is because, when I look at Turkey's natural resources, at the potential of the Turkish people, at the achievements of Turkish industry and at the successes of Turkish businessmen on an international level, I preserve my optimism. Yet another reason is the fact that Turkey, even at the end of its darkest days, preserved its common sense.

#### Political Pressures Must Be Avoided in Turkey's New Structure

"I am of the opinion that while the framework is being build for Turkey's future democratic structure, certain basic legal measures must be taken to preserve the future economic policies to be carried out within this framework from political preferences, in a way that will be least open to influences that could be exploited for political ends. I think that the Consultative Assembly, which will begin its work in the months to come, will have to assume grave responsibilities in this matter.

"I believe that a political view that accepts the existence of a private sector in the Turkish economy will have to continue the policies of the 24 January decrees after the transition to democracy, rather than turn against them. Thank you."

Yazar: "The most appropriate measure taken by the 12 September intervention and its administration has been the fact that it has adopted the 24 January decrees. The second important point is that, even as 12 September represents the evaluation of a great opportunity by our society, so it is also important that the decisions to be taken be sound and enduring decisions when we return to a normal regime.

#### The SEE Must Not Be Enlarged

"In Turkey there is the absolute necessity of using scarce resources in a highly rational manner. After this, the most appropriate step would be to ensure that the SEE, at the very least, would not be enlarged any more and that they would be proportionately reduced in size. This has to be a very crucial decision. In spite of this fact, today we're seeing the unwitting continuation of efforts and steps taken in the recent past in the direction of enlarging the SEE. In its basic policy from now on the state should concentrate its expenditures on the infrastructure. Energy comes at the head of the list. That means the important points are: rather than looking for new formulas, the SEE as far as possible should be frozen, new SEE should not be created, solutions must be found to make existing SEE more workable, but, before everything else, the state must concentrate on the infrastructure. My wish is for a positive place in the economy for a modern conception of state, the main economic strategies of which have been established.

"Since the topic that worries us most today is the cost of money, the lack of money, and stagnation, I want to place a priority on finding solutions for this problem. The interest, meaning the value, of money should be free within the rules of a free market system. It has to find its own level is a correct way of putting it. However the problem which I think is most important and justified is the fact that many of our businesses are closing down, while many others are trying to stay on their feet.

"This hardship has reached serious proportions in some of our firms. To a degree, I see some firms unwillingly trapped in this bottleneck, unable to find a way out. But I wish that the scale of this should not take on proportions larger than that of the whole economy. Basically the firms will have to try to increase its sales, in spite of everything they'll have seek out new technologies, and they'll have to bolster their own resources.

"Our firms will have to digest the effects of the export boom within themselves. There is even a saying here: 'Turkey is a hostage to its exports.' Unfortunately this is a fact. Now I would like to list measures to be taken on a macroeconomic level.

#### The State Must Lighten The Burden on The Banks

"Some measures must be taken to lower the cost of money. One of these is that the state is increasing the cost of money on a limited basis with its supercharges. If the state wants to seek sources of income for itself, there are two other ways. There are some sources which have not been tapped, and these could be explored.

"Among the areas that could be emphasized are deposits, balance equivalents, and funds. In addition, it is only natural that the banks have not been able to adapt their system to the existing order, given their present condition. Our banks have to think in a forward-looking way, and on their own they have to work out a method of operations that conforms to today's economic system, a mode of operations that would be more profitable.

"In the days we have before us, the state has to put all of its weight behind energy and the infrastructure. From the standpoint of creating sound sources of revenue and from the standpoint of the capital market, it is essential that in the days to come speedy action be taken to review the issue of taxes, including the tax on corporations and the sales and purchase tax on shares of stock. I would wish for a speedy return to a properly functioning democratic system, and I believe in it. Two important points have been resolved, one of these being anarchy, the other being the bottleneck in the economy. Up to this point I have stated my economic views. As for the other subject, the tree's branches have been pruned but its trunk is still standing."

#### We Look To The Country's Future With Hope

Eczacıbaşı: "Mr. Soysal, I look to my country's future with a great deal of hope. We have passed through thirty years of experience with democracy. This is a great deal of capital.

"My view is that today the responsibility falls on our planners. Planning ought to be done by forming teams on a sector level, according to my way of thinking. Which of our industries is oriented towards exports, and is it being given the opportunity to turn to exports? Is assistance needed, and what forms of assistance could be given?

"In the impasse we have reached today, we say that there is cheap hard currency and cheap credit, but it isn't easy to bring about the exact opposite of this, and in the period of adjustment for industry it isn't easy to expect this to come about speedily. It is not very realistic for us to expect an inward oriented industrial establishment to turn towards exports while operating under high interest rates merely by passing a decree. We have to do this on the planning level, acting in a calculated manner.

"Firms that have received credit from the Sınai Kalkınma Bankası [Industrial Development Bank] have today reached a state where they are unable to cope with this burden. Isn't there a way by which this rate of debt can be distributed somewhat? Couldn't an opportunity for self-financing be created by a reevaluation of balances, by increasing the rates of amortization temporarily for a period of three or four years?

"As we look to the future, our hope is that today the foundations of the Turkey of the future are being laid. My wish is that our society should be a bit more realistic. We will benefit greatly from the experiences of the past. We have to think in a more intelligent way, keeping the long term in mind.

## The Private Sector Must Show That It Deserves Respect

"Our hope is that Turkey, our country, will live under a democratic system that is far removed from fixed ideas and set notions. We have bitterly endured periods in which no respect was shown to private enterprise. In order to gain respect, the private sector has to propose its own measures to the state on tax laws and the prevention of evasion, smuggling, and other illicit activities. Private enterprise has to propose consumer protection laws to the state. Stating once more that I have great hopes for the Turkey of the future, I thank you Mr. Soysal."

Soysal: "Our honored guests, I thank you on behalf of MILLIYET. You have laid out the economic situation of the 12 September period clearly, in a manner needing no further explanation. The best message we can give to public opinion is your view that the Turkish economy, like Turkey's other institutions, is steadily improving, and that you are looking to the future with hope.

"You have also expressed your views and expectations regarding the problematic points of economic policies, on the main lines of which you are all in agreement. Hoping that these, too, will be dealt with, I extend to you all my respectful greetings."

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CSO: 4654/169

## BANKERS DISCUSS INTEREST RATES, END TO DEPOSIT CERTIFICATE

Istanbul TERCUMAN in Turkish 5 Sep 81 p 9

[Text] ECONOMIC SERVICE--Officers of 46 of our nation's banks will attend the 11th Interbank Conference to be hosted by the Commercial Bank on Monday, 7 September.

Deposit certificates and interest rates will be discussed at the conference, and the Aegean Bank will propose that certificates of deposit be discontinued. According to what has been learned, the Aegean Bank is proposing the following change in the decree enabling banks to issue certificates of deposit:

"Certificates of deposit issued by banks by 7 September 1981 will remain legally void until maturity. As of this date, new certificates of deposit may not be issued and the terms of old ones may not be extended."

The Aegean Bank had presented this proposal twice before, but the Central Bank had asked brokers for voluntary controls in not issuing deposit certificates for the time being and six banks were asked to monitor this situation.

## Violation of Agreement of Claimed

It was pointed out that despite the measures taken, many more deposit certificates had been sold through brokerages, thus constituting de facto violation of the gentlemen's agreement, and that these developments had a negative effective on the capital and money markets. It was said that the Aegean Bank would present its proposal for the discontinuation of deposit certificates to prevent public loss of confidence in the capital market.

## High Interest for Short Terms

A second proposal to be discussed at the conference is a proposal prepared in Ankara and expected to be presented by the Agricultural Bank calling for high interest on short terms. According to this proposal, the terms of time deposits would go as low as 1 month, with 2-month and 3-month deposits paying 35 percent interest and 1-month and 2-month deposits paying 30 percent. It is thought that this proposal is being introduced in order to make the banks competitive with the brokers offering high interest on demand deposits.

It is proposed that deposits of up to 1 month be treated as demand deposits and receive 5 percent annual interest as before. The proposal envisages no change in the interest rates paid on 3-month and 6-month savings deposits which were adopted at the last bankers' conference.

#### Commercial Bank Director's Views

Turkish Commercial Bank General Director Behzat Tuncer said, "Certificates of deposit were brought into being within the system of banks and we are opposed to their being sold by institutions other than banks in defiance of the gentlemen's agreement among us."

At the pre-conference reception he held in connection with the 11th Interbank Conference to be hosted by the Turkish Commercial Bank in Istanbul on Monday, Behzat Tuncer noted that "certificates of deposit carry with them the bank's guarantee and assurance for the saver" and said: "Citizens are racing to take advantage of high interest rates. We decided by a majority vote with the gentlemen's agreement adopted at the 10th Interbank Conference on 6 July 1981 that deposit certificates should be sold within the system of banks and should not be sold by institutions in another system. However, we see that only a few banks are honoring this gentlemen's agreement."

#### Ciller's Comments

Istanbul Bank General Director Ozer Ciller said that paying high interest on 1-month and 2-month deposits was a topic which would be discussed at the Banks' Union, adding, "This proposal is to bring the money shifting to brokerages back to the banks. However, if the brokers jump off a cliff, the banks don't have to jump, too."

Noting that deposit certificates would also be discussed at the Banks' Union meeting, Ciller said that the "banks are ruining their respect by cooperating with the brokers who are paying high interest and are getting into contradictions among themselves."

8349

CSO: 4654/162

## CENTRAL BANK HEAD ANNOUNCES CONTINUED TIGHT MONEY

Istanbul MILLIYET in Turkish 8 Sep 81 p 4

[Statement by Osman Siklar, chairman of the Central Bank of Turkey, to a meeting of banking industry representatives held in Istanbul on 7 September]

[Text] Addressing the 11th meeting of the Interbank Council being held in Istanbul, Osman Siklar, chairman of the Central Bank of Turkey, said that, "since we have to keep inflation in mind, we will continue with the policy of tight money."

Top level representatives of close to 40 banks, including private banks established by legislation as well as investment banks and commercial banks founded with domestic and foreign capital, met yesterday at the Istanbul Sheraton Hotel. Topics under discussion included the raising of interest rates paid on short-term deposits and the marketing of certificates of deposit through investment brokers.

Following the opening address by the host Behzat Tuncer, general director of Turk Ticaret Bankasi [Turkish Bank of Commerce], Central Bank Chairman Osman Siklar addressed the meeting. He said that positive developments in the state of the money supply and credit are continuing, with increases of 20.2 per cent in Central Bank credit, 20.6 per cent in the issue of banknotes, 29.4 per cent growth in savings bank credit, and a 36.6 per cent growth in deposits over the first seven months of this year.

Siklar, who defended the view that it would be unwise to attempt to slow down price increases at a faster rate in such a short period of time, stated that, "in that case, since we must keep inflation in mind, we will continue with the policy of tight money."

Siklar reminded his listeners that the Central Bank, in its first official announcement issued last week, had increased its interest rates on short-term industrial and specialty credit, with export credit heading the list, and that interest differential payments to banks for the purpose of export credits had been increased. He said that the goal of these latest adjustments in the rediscounting rates for export credits was to exercise control over the increase in the bank's credit at a time when there is a seasonal growth in credit demand.

Siklar stated that the increase in the rate of growth of monetary indicators that is characteristic of inflationary periods had been halted, and continued by saying,

"This, however, does not mean that there has been any movement backward in the financing of the economy. In fact, in contrast with previous years, monetary indicators are exhibiting real growth, which means that their rate of growth exceeds the rate of increase in prices."

Explaining the Central Bank's measures for stimulating exports, measures that are now being put into effect, Osman Siklar also stated that other banks, too, have begun to place the necessary emphasis on export credits. Siklar said that while the Central Bank's export credits had stood at about 48 billion Turkish lira at the end of 1980, they had increased by 79 per cent as of 21 August, reaching 89 billion Turkish lira. He stressed that these measures had made a significant contribution to this year's growth in exports.

At the conclusion of the 11th meeting of the banks, Central Bank Chairman Osman Siklar issued a statement to the press. In his statement he pointed out that, while public opinion certainly expects some results from every meeting, this expectation is wrong, since meetings of banks proceed much in the same manner as monthly family gatherings. He summed up the discussions held during the meeting in the following way:

"No changes have emerged from this meeting, and there has been no dissolution of the gentlemen's agreement. Once again there has been a discussion on whether investment brokers should be forbidden to sell certificates of deposit. The banks expressed serious concern, wishing to market the certificates themselves. However, no sanctions will be applied in this matter.

"We further discussed the proposal by the Ziraat Bankasi [Bank of Agriculture] calling for higher interest rates on more short-term credits. A decision was made to initiate a study on whether interest payable on a weekly, 15-day, or monthly basis, as is usual in the USA and in some European countries, would be practicable within the structure of our own banking system. A decision will be taken upon the outcome of the study.

"As you know, the interest rate on export credits has been raised to 27 per cent. There was a demand for new measures in the field of worker remittances of hard currency, and certain views were put forward. Our banks will take measures in order to be able to attract foreign currency remittances not only from our workers in Western countries, but also from our workers in Middle Eastern countries. They will also exercise more care in providing letters of guarantee for Turkish contractors working abroad. A decision was made to form an association of contractors abroad, which banks would consult for information prior to granting letters of guarantee."

Osman Siklar stated that views favoring the lowering of interest rates on credit had been put forward at the meeting, but said only that the matter would be taken up after the implementation of changes in the interest rates paid to depositors. Siklar, who also said that the gentlemen's agreement continued to function in a sound manner and was growing stronger, concluded by saying, "The next meeting after this will be held on 16 November, a date set so that it will come after the Izmir Economic Congress, and will be hosted by Hisarbank."

On another note, according to reports from banking circles, it is expected that a decision will be reached in the next few days regarding the imposition of some restrictions on advertising by banks and investment brokerage firms.

**MILITARY MOVES TO CURB RUNAWAY INTEREST RATES EYED**

Istanbul MILLIYET in Turkish 14 Sep 81 p 8

[Article by Teoman Erel]

[Text] The staff that took over the administration of the country a year ago to combat terrorism and irresponsible anarchy seized control over "interest-rate anarchy" on 11 September.

We will learn in the future whether or not there is a special meaning behind the fact that both important battles, which bear some similarities, began on the same date.

Perhaps the only reason for this interesting coincidence is that 11 September 1981 happened to fall on a Friday. As is known, enormous financial decisions that will create excitement among the people and that could create a mania for action among those with evil intentions are kept secret. The government works to have these decisions coincide with Friday evening so that banks and official offices will be closed for 2 days over the weekend.

On 12 September, Central Bank Chairman Osman Siklar was sought out and his views were asked about bankers' interest rates and activities' being placed under control by law. He responded:

"I did not know. Various preparations were being made. My ideas were being sought. However, I knew nothing about the details."

And, perhaps, because he is considered to be the leader of the banking community, Siklar preferred to be seen as being on the sidelines in the bank-banker competition.

Preparations were made in the Budget Planning Commission chaired by Retired Admiral Husnu Kucukahmet and within the structure of the Ministry of Finance and the National Security Council Secretariat General. Minister of Finance Kaya Erdem gave a full explanation to the National Security Council on Friday, before the proposal was made law.

While the law gives the Ministry of Finance such authority as setting interest rates and supervising bankers, it also gives Central Bank Chairman Siklar, who was left out when the bill was being prepared or who deemed it appropriate to be left out, the duty of preliminary examination of bankers' announcements.

Siklar spoke of his thoughts on this function's being given to the Central Bank. He said:

"The Ministry of Finance would normally have this authority. As for giving it to us, it is only because our organization is among those prepared and organized to carry out this responsibility. Because of our telex and similar resources, this job can be handled more easily."

Well, then, what about Turgut Ozal?

How does our statesman, who started the interest-rate war, but who, it is claimed, was wrong in estimating that "demand for credit will begin to abate when deposits exceed a trillion liras," feel about and interpret this operation?

It is the opinion of those who closely follow these actions that "Ozal is in a tailspin." However, it is asserted that he could not make a decision to interfere and that he made an effort to soften the law and to balance it towards his own policy when he felt the "decisiveness" that grew out of the necessity for supervision.

Ozal's going abroad on the day the law was enacted is another timely coincidence.

Ozal, who went to Bulgaria on 11 September, appeared to be in good humor at the Esenboga Airport. He even gave some good news to civil servants and the poor. He said, "When the economy levels off, several things will be done at once for those with low incomes."

When reporters were posing questions, Ozal drew attention to the silence of a newsman who does not share his views.

Ozal asked, "Why don't you ask a question?"

"Are there any questions left to ask?"

"Why wouldn't there be?"

"You have straightened out everything."

Worried perhaps that the undated good tidings given to the poor earlier might acquire a due date, the deputy prime minister immediately made a correction:

"We did not straighten out one thing."

"Shall I write what you just said?"

"Ha, ha, ha. You found a newspaper headline."

Laughing, he added:

"This reminds me of the story about the Pope."

Those close to Ozal emphatically repeated, following passage of the Banker Interest-Rate Control Law, the view that "the control mechanism was enacted in the manner sought by Ozal. It is not by chance that the law took its final form on the day he went abroad."

The first interpretations of the law can be summarized as, "The law is somewhat milder than anticipated." In fact, it is possible that several banks that wanted more severe actions reacted by saying, "This law legitimates what has been going on."

As a matter of fact, with passage of this law, the state is guaranteeing the citizen that it "is assuming responsibility for control over this." Within the context of such an assurance, as State Chairman Kenan Evren said in his 12 September speech, low-income citizens who have sacrificed and have deposited their money somewhere are being protected from catastrophe.

There were also those who preferred that savings be channeled into more secure institutions through various examples of terrible bankruptcies on the capital market, or in other words, through suffering for the sake of issuing a warning. The law that was enacted, however, emphasizes a different strategy -- guaranteed security and control over the interest-rate war through supervision.

It probably was not correct to resign oneself to widespread bankruptcies and deep depression for the sake of maintaining the claim that interest rates would be freely established in a free-market economy.

Harsh warnings from every direction, business leaders, banks, serious bankers, universities, and industrialists demonstrated that the country will not bring itself to the point of a possible depression.

Another sign was the sentence on page 26 of the economic report prepared by the National Security Council Economic and Financial Affairs Office Directorate that pointed to the criticism that would be made about the interest-rate war. It read:

"Money will be directed toward speculative fields that produce greater profit."

The final section of this report, which was completed upon the approach of the first anniversary of the 12 September change in government, emphasized a "Kemalist mixed economic model" rather than extremely liberal slogans that result in uncommon events such as interest-rate wars and pointed to the need for a national economic policy that stresses healthy, balanced, and planned industrialization as well as agriculture and that does not neglect the KIT [Public Economic Enterprises].

The report ended with this statement:

"Now, the topics of an economic policy and planned development in the light of Kemalist principles appear on the economy's agenda."

After noting these developments and signs, we listened with interest to the economic section of State Chairman Evren's 12 September speech. We observed an understanding of development that places the necessary emphasis on rational, balanced, and planned industrialization and on increased productivity and noted a determination to take charge of the KIT's, "Ataturk's legacy," as well as a refusal to ignore the rules of the market and free enterprise.

"Perhaps, we thought, "coincidence cannot account for the state chairman's emphasis on the subjects of the economy and foreign policy."

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CSO: 4654/172

## DANGER OF RENEWED INFLATIONARY SPIRAL NOTED

## June Inflation Figures

Istanbul GUNAYDIN in Turkish 31 Jul 81 p 5

[Text] The inflation rate, after dropping to 4.5 percent in January and 2.2 percent in February, rebounded in March and April to 8 percent and slid back to 6.4 percent in June, creating the danger of an annual inflation rate of 50 percent.

This year marked the second highest June price increase in the past 9 years, next to the 7.2 percent monthly rate in 1979. Monthly inflation rates in Turkey always tend to rise in the first 2 or 3 months of the year, level off in mid-year, then pick up steam again, especially after September.

Monthly inflation rates for the 8 years since 1973 show an average inflation rate for June of 1 percent-2 percent. During those same years, the average inflation rate for the first 3 months after June, that is, July, August and September, was 6.1 percent. The average inflation rate for October, November and December for the past 8 years, however, rises to 9.4 percent. Thus, usually starting in June, prices seem to step on an escalator.

Taking past price trends into account, if prices continue to rise at the present rate, the total for July, August and September will be 11.6 percent and, by the same token, October, November and December will average 15 percent. The 1981 inflation rate, therefore, would exceed 48 percent.

Meanwhile, authorities note that rising prices of liquid fuel and industrial raw materials in June brought the month to a close at 6.4 percent inflation. "The increase in these goods will inevitably reflect on food prices in the months ahead. Thus it is seen that the year will close out with inflation at around 50 percent," they say.

### Inflation Subsequent to June in Past Years

| Year | June<br>Inflation<br>Rate | July, August<br>September<br>Average Inflation<br>Rate | October, November<br>December<br>Average Inflation<br>Rate |
|------|---------------------------|--------------------------------------------------------|------------------------------------------------------------|
| 1973 | 0.4 %                     | 8.6 %                                                  | 9.1 %                                                      |
| 1974 | 3.2                       | 3.6                                                    | 1.6                                                        |
| 1975 | 1.9                       | 0.2                                                    | 6.0                                                        |
| 1976 | 0.9                       | 0.2                                                    | 5.6                                                        |
| 1977 | 1.2                       | 9.9                                                    | 11.6                                                       |
| 1978 | 1.8                       | 11.3                                                   | 8.1                                                        |
| 1979 | 7.2                       | 9.9                                                    | 18.2                                                       |
| 1980 | 2.8                       | 5.2                                                    | 14.6                                                       |
| 1981 | 6.4                       | --                                                     | --                                                         |

Source: Ministry of Commerce Wholesale Goods Price Index

### Indicators Cited

Istanbul GUNAYDIN in Turkish 31 Jul 81 p 5

[Text] Professor Feridun Ergin, teaching member of the Istanbul University Faculty of Economics, said, "There are indicators showing that price activities will gain speed in the fall." Noting that emission, that is, the printing of money, has increased and that the price of foreign exchange has risen, Professor Feridun Ergin went on to say:

"Increases are being seen in all costs. The indicators make one think a renewed inflationary spiral likely."

Professor Ergin stated that it would be hard to make a firm estimate as to what the inflation rate would be, but that long-term estimates indicated spiralling prices. "It may be said that the inflation rate will be approximately 50 percent by the end of 1981," he said.

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CSO: 4654/145

## DECREE SEEKS TO REDUCE MONEY SUPPLY, SLOW INFLATION

Istanbul GUNAYDIN in Turkish 14 Aug 81 p 4

[Text] The decision to require banks to put 25 percent of their deposits into Treasury bills is intended as a new brake on escalating inflation. This decision, adopted by the Central Bank, prevents bank deposits from becoming the spanner in the economic works again by means of the banks. Thus, as an extension of the tight money policy, the transfer of resources from the banks to the Central Bank becomes a sort of money withdrawal operation. According to those concerned, the rate of inflation began moving upward again in recent months, speeding implementation of this decision. As known, recent indexes from both the Istanbul Chamber of Commerce and the Ministry of Commerce show a rapid increase in basic commodities. Indeed, the fear that inflation might rise further, assuming a market revival in the months ahead, drove the Central Bank to this decision. The steady climb of the inflation rate was the signal that industrial goods prices in particular would be driven up by September.

## Business, Bank Reactions

Stating that they find the decision extremely negative, bankers contend that while desiring to rein in inflation, this decision will open the way to "cost inflation." Istanbul Bank General Director Ozer Ciller said that it would be a great hardship on the banks to invest 25 percent of their deposits in the Central Bank. "The banks will ultimately cause this to reflect on credit. Credit will become more expensive. Deposits do not sit idle in the banks so that something like this should be done. We recirculate the money we take in; demand for credit is high," he said. Turkish Industrialists' and Businessmen's Association President Ali Kocman also said that the practice had negative implications for industrialists, but stressed that this was a fact of the government's anti-inflation policy. Istanbul Chamber of Industry Assembly Chairman Ibrahim Bodur also expressed his views, saying, "Deposits are the source of credit. Investing 25 percent of them in [Treasury] bills means a 25 percent reduction in resources. Bankers will be even more squeamish about giving credit with this practice."

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CSO: 4654/145

## FINANCING, PERSONNEL SHORTAGES DELAY PROJECT COMPLETION

Istanbul MILLI GAZETE in Turkish 28 Aug 81 p 4

[Text] Ankara (TURKISH NEWS AGENCY)--Of 121 projects "of critical importance" as to their contribution to the economy from among the projects in the 1981 investment program, only 14.4 percent had been completed by the end of March 1981, it was announced.

In its "Important Projects, March 1981 Report," the State Planning Organization [SPO] points out that "emergency" foreign credit amounting to \$82.8 million was needed for use this year for these 121 "critically important" projects.

The report points out that of the 121 projects placed by the SPO in the category of projects "of critical importance" as to their contribution to the economy, 86 percent is being carried out by State Economic Enterprises [SEE] and the rest by general and mixed budget administration. The report says:

"Important projects belonging to general and mixed budget organizations are usually in the transportation, energy, irrigation, potable water and tourism sectors, while those belonging to the SEE's are usually in such sectors as the basic and intermediate commodities industry, energy and mining."

## 2.2 Trillion Additional Expenditure

The report notes that the total cost of these 121 projects is around 2.57 trillion liras, with 371.3 billion liras having been spent by the end of March 1981, and that additional spending of 2,198.6 billion liras at 1981 prices is needed for completion of the projects.

The most important problem and bottleneck encountered in carrying out the projects "of critical importance" and therefore the biggest factor in the delay of the projects is "the shortage of foreign financing and technical personnel," the report says.

The report lists all of the projects, giving a breakdown of their current status as of the end of March 1981 as to problems and bottlenecks and summarizing the foremost problems as follows:

"Some of the projects placed in the 'important projects' category as to their contribution to the economy are:

"Turkish Coal Works: Afsin-Elbistan-A, Mugla-Yatagan, Sivas-Kangal, Beypazari Works Expansion,

"Turkish Petroleum Corporation: Istanbul Petroleum Refinery Corporation-2 Expansion, Izmir Refinery Expansion, Central Anatolia Refinery, Bati Raman (production),

"Sumer Bank: Gemlik, Selefon, Gaziantep Textile Machinery

"Turkish Sugar Factories Corporation: M.US [expansion unknown], Agri, Konya, Ilgin and Bor Sugar Factories,

"Machine and Chemical Industry: Aliaga High Quality Steel, Polatli Construction and Excavation Equipment Factory,

"Nitrogen Industry: Gemlik Ammonia Facilities, Soma Fertilizer,

"Cement Industry Corporation: Siirt-Adiyaman, Diyarbakir and Samsun Cement Factories,

"Turkish Motor Industry and Trade Corporation: Aksaray Truck Motors Factory, Konay Tractor Motors Factory,

"Turkish Electric Power Enterprise: Afsin-Elbistan-A Corporation, Soma-B-1, 2 Thermal Station-Cayirhan Thermal Station, Yatagan Corporation 1,2, Akkuyu Nuclear Power Station,

"Tourism and Information Ministry: Southern Antalya Tourism Development Project,

"Public Works Ministry: 'Tetek' Project, Izmir Port Expansion, Trabzon Port Expansion."

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CSO: 4654/158

## EXPORT MARKET CONCENTRATION SEEN TO CREATE DEPENDENCE

Istanbul GUNAYDIN in Turkish 6 Aug 81 p 5

[Text] Our exports have increased 44 percent in the first 5 months of this year, a rate not to be belittled, but have begun to concentrate gradually in fewer nations.

While total exports as of the first 5 months of 1981 were \$1.631 billion, \$88 of each \$100 we sold on foreign markets in this period went to only 11 nations. We received \$1.429 billion for the goods we sold to these 11 nations, ranging from Germany to the Netherlands. If we add the \$78 million in exports to Saudi Arabia and Syria to these 11 nations, we find that only 13 nations received \$92 of every \$100 in exports.

Bearing in mind that "external dependence in exports" results when a large proportion of a nation's exports are made to only a few foreign markets, Turkey's rate of dependence on its 11 largest foreign markets is 88 percent.

## How It Was in Past

Our "export dependence," at 88 percent for the first 5 months of this year, was 66 percent for all of last year. The larger the "rate of export dependence," the less varied the foreign markets, and ours was 71 percent in 1979, 69 percent in 1978, 75 percent in 1976, 70 percent in 1974 and 76 percent in 1972. The share in total exports of the first 11 nations to which we sold the most goods was 76 percent in 1970, 73 percent in 1968, and 18 years ago, or 1963, was 77 percent.

"Export dependence rates" for previous years show that Turkey had fewer important foreign markets in 1963, diversified in certain years, but later concentrated markets again.

## Change in Foreign Markets

The 1963 share of the first 11 nations to which we made 88 percent of our total exports in the first 5 months of this year was 70 percent. This share was 61 percent in 1968, dropped to 60 percent last year and registered a large increase this year. While Germany has retained its position as our "best" customer each year, Lebanon, the Soviet Union and Japan, which were among our 11 largest markets 10 years ago, have not been replaced by Iraq, Libya and Iran.

### 5-Month Sales Figures by Nation

| <u>Country</u>         | <u>Amount</u>   |
|------------------------|-----------------|
| Germany                | \$319.2 million |
| Iraq                   | 201.6           |
| Italy                  | 177.2           |
| Libya                  | 130.0           |
| Switzerland            | 126.7           |
| France                 | 110.3           |
| Britain                | 102.6           |
| Iran                   | 94.2            |
| United States          | 66.8            |
| Belgium                | 54.6            |
| Netherlands            | 45.9            |
| Total 11 Nations       | \$1,429         |
| Share of Total Exports | 87.6 percent    |

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CSO: 4654/145

## EXPORTS TO IRAQ REPORTEDLY TO REACH 400 MILLION

Istanbul DUNYA in Turkish 19 Aug 81 p 1

[Text] The visit to Ankara last week of an Iraqi delegation headed by Taha Yasin Ramadan, a member of the Iraqi Revolutionary Committee Council, marks an important stage in the fitful Turkish-Iraqi relations of the past 10 years.

One of the most promising results of the Iraqi delegation's visit is the recognition by the sides that the two nations need each other, not just in the economic area, but in security as well.

In addition, important matters on the Turkish-Iraqi Joint Committee agenda were concluded in talks attended by Oil Minister Tayih 'abd al-Karim and Trade Minister Hassan 'Ali and [Turkish] Minister of Energy Serbulent Bingol. It was decided to raise the amount of oil coming to Iskenderun through the Kirkuk oil pipeline from 5 million tons per year to 8.5 million tons in 1981. The 8.5 million tons is 50 percent of Turkey's total oil consumption. Now it has to be decided which export goods Turkey will use to pay for the oil.

According to the 5-year trade program concluded last week, Turkey will export to Iraq wheat, barley, meat, fresh vegetables, textile products, olive oil, refrigerators and furniture, in addition to 1.6 million tons of cement annually.

Turkey's exports to Iraq are expected to be \$400 million per year.

## Oil Pipeline

Turkey's request to raise the capacity of the oil pipeline from 35 million tons to 50 million tons was also taken up in the talks with the Iraqi delegation. Turkey also wants to raise the oil transmission fee from 35 cents per barrel to at least 45 cents.

Though the topic was not mentioned in the joint communique, it is thought to have been resolved to the satisfaction of both sides in talks between Taha Yasin Ramadan and Prime Minister Uluu.

Iraq's request for accelerated transit transport from Mersin and Iskenderun to Iraq was also taken up in the discussions and it was decided that a joint transport company should be established. This company would also contribute to the work on

expansion of the Iskenderun port. The Turkish and Iraqi delegations also decided to study the feasibility of a direct railroad link between Mosul and Iskenderun.

#### Tigris-Euphrates

A problem of considerable concern to Iraq is Turkey's Keban Dam, Karakaya project and the planned Ataturk Dam on the Tigris and Euphrates Rivers.

Head of State Evren pointed out during the Iraqi delegation's visit that Turkey's decision to undertake construction of the Ataturk Dam is firm. The two sides decided that the water problem would be taken up by a future joint committee of Turkish, Syrian and Iraqi experts.

The problem of facilitating participation of Turkish contractors in Iraqi construction projects was also discussed. The problem of Turkish contractors' letters of guarantee would be resolved more easily if Iraqi banks opened branches in Turkey.

8349

CSO: 4654/158

## MAJOR ROLE OF AEGEAN AREA IN EXPORTING TO EEC EYED

Adana YENI ADANA in Turkish 22 Aug 81 p 2

[Text] Izmir (AA)--It has been announced that a significant portion of Turkey's exports to EEC countries come from the Aegean region.

Dundar Soyer, a businessman and former chairman of the Izmir Chamber of Trade, gave his views on the subject of "the Aegean region and EEC exports" to a special publication prepared by an EEC information representatives' office, which will participate in the 50th Izmir International Ataturk Fair. Soyer said, "Following the 12 September change in government, what is striking is the degree of greater use of industry's capacity due to labor peace and assurance of the goods and materials needed by industry. Furthermore, an increase in our exports to EEC countries can be expected because of the positive results of incentive measures."

Soyer spoke of the share of the Aegean region in Turkey's exportation to EEC nations and said:

"Turkey's exports to the EEC make up more than 40 percent of our total exports. When we in the Aegean region approached the subject, we noted that most of Turkey's exports to the EEC consist of agricultural products. Cotton, figs, and other agricultural products are important items among our exports from the Aegean region to the EEC.

"Because bureaucratic obstacles in the way of our exporters have been eliminated to a great extent in recent months, we believe that a giant leap in exportation can occur. I think that data I possess at this time are full of signs that give hope that Turkey's exports to EEC nations in 1981 will exceed those of the past year. As a matter of fact, while exports from the Aegean region to EEC countries in January, February, March, and April 1980 totaled 17,250,013,104 liras, the figure for the same period in 1981 rose to 26,620,900,000 liras."

## Proposals To Increase Exports

Former chairman of the Izmir Chamber of Trade Soyer was asked, "What must be done to increase exportation to the EEC?" He answered:

"There are several reasons why our exportation to the EEC has not increased at a faster pace. An important reason why Turkey has not made continued strides in its sales to foreign purchasers is that we do not possess marketing organizations that extend from the producer to the consumer, that hold adequate financial power, and that pay careful attention to the subjects of quality, standardization, and the ability to deliver goods in a regular, systematic manner."

11673

CSO: 4654/170

## AEGEAN, CUKUROVA BASE COTTON PRICES SET

Adana YENI ADANA in Turkish 20 Aug 81 pp 1,5

[Text] The Council of Ministers has set the base price of the 1981 Cukurova crop of cotton with the seed in it at 62 liras and of the Aegean region crop of cotton with the seed in it at 63 liras.

According to the Council of Ministers' decision, which was published in yesterday's issue of the RESMI GAZETE, Taris [Agricultural Workers Union] and Antbirlik [Antalya Agricultural Sales Cooperatives' Union] will pay 63 liras per kilogram for Aegean and Antalya Standard No 1 white cotton with the seed in it and Cukobirlik [Cukurova Cotton and Citrus Fruit Agricultural Sales Cooperatives' Union] will pay 62 liras per kilogram for Cukurova Standard No 1 white cotton with the seed in it.

The decision stated that the Agricultural Bank will furnish rediscountable purchasing credit of 37.5 billion liras to be used for the purchase and processing of the unginced cotton, and, in conjunction with these purchases, 15 percent of this amount (5.6 billion liras) will be assigned to unions as operating credit until stocks are completely exhausted.

In the meantime, if there is a change in the support price, Cukobirlik will pay the companies the difference between the price paid them when the first shipment of cotton is turned over and the final price.

In a notice of the Cukobirlik Directorate General, companies are requested to take care that the unginced cotton that is delivered to cooperatives is ripe and not damp so that the companies will be able to augment our rapidly developing economy and in order to protect the reputation of the companies on markets abroad.

The notice stated that the guaranteed debts owed to other companies of companies that are taking part in the delivery of unginced cotton will not disappear by themselves and said that all the money for the cotton that is turned over will be paid to the companies. It noted that 50 percent of the money for the cotton initially delivered by a company that is in debt will go as an advance to the cooperative.

### **Producers Find Base Price Low**

Following yesterday's announcement of the cotton base price, Union of Farmers Second Chairman Onder Girici reported that the cotton base price made public shocked producers.

Union of Farmers Second Chairman Girici gave his views on the cotton base price and said:

"The announced cotton base price shocked producers. The prime minister said that the price should be adjusted in relation to the dollar, but, because the dollar price is about 80 or 85 liras, cotton producers -- a large group of people -- are thrust into a difficult financial position.

"In the Cukurova region, the disastrous whitefly hit this year as in the past, and producers were victims. Furthermore, we producers expected a base price of 80 liras. Therefore, we are deeply distressed.

"All of our producers have sprayed six or seven times to date, and will have sprayed 10 or 11 times by the end of the season. The prices of fertilizer and fuel are higher than last year's, but the base price is even lower than the 25-percent price increases that were caused by inflation."

11673

CSO: 4654/170

## PAPER VIEWS JORGENSEN'S THREAT TO CALL ELECTION

Copenhagen BERLINGSKE TIDENDE in Danish 30 Sep 81 p 10

[Editorial]

[Text] A prime minister heading for an election doesn't tell anybody about it. No one should be deceived into believing that an election is forced on him by others. It comes as a result of the prime minister's decision to hold it. Even though Anker Jorgensen so often crosses classical political thinking, one should not imagine that the election is about to become a fact. The prime minister is threatening an election but that is hardly something he wants. On the contrary, it has often been quite clear that Anker Jorgensen wants to stay in power even if that power becomes smaller and smaller.

However the election threat is a definite indication that the Social Democrats are in a state of total confusion. In recent weeks they have had experiences that increased their uncertainty. It must have been bitter for them to receive the Radical Liberal statement that the majority of the compromise parties is too small and that it was incapable of pursuing the correct policy. And it must be depressing for them that they can apparently look forward to the wreck of their big plans on pension funds. It's getting to the point where the ink hardly has time to dry before new drafts for government program statements need to be written.

If Anker Jorgensen is to emerge from the confusion prevailing around his ministers and their policies, he must prevent party colleagues from operating from day to day with fantasy projects that have no firm foundation under them. It is not surprising that the support parties occasionally refuse to participate in this circle dance. They were all so happy about the compromise they arrived at in the spring and it is amazing that the Social Democrats have managed to destroy their joy while Folketing has been on vacation. How will things go when parliamentary work begins? As long as Anker Jorgensen is incapable of managing his own people--and himself on occasion--the possibilities of pursuing a sensible policy will be reduced.

The newspaper AKTUELT, whose naivete on political issues is almost unequalled, maintained yesterday that an election would be a desirable situation for the Social Democrats. One could approach the voters in a clear situation in which the Social

Democrats will be strengthened because they have a policy and because the alternative is worthless. This cannot be Anker Jorgensen's assessment. When he talks about an election it is in order to frighten others. For of course he knows that he is the one who should be afraid of an election. It would not be a good decision for him to call such an election. But it would be a good decision for him if he decided to bring order into his own ranks.

6578

CSO: 3106/4

## COMPROMISE PARTIES REJECTION OF ECONOMIC PLAN MAY FORCE ELECTION

Copenhagen BERLINGSKE TIDENDE in Danish 30 Sep 81 p 7

[Article by Lisbeth Knudsen]

[Text] A carefully thought-out plan to combat unemployment made by the government and the union movement in fellowship has lost its two most essential elements. At present a carefully conceived strategy to involve the compromise parties, R [Radical Liberals], CD [Center Democrats] and KRF [Christian People's Party] has failed.

These conclusions on the political situation in recent weeks are so serious for the Social Democrats and the restored peace in relation to the union movement that both the prime minister and the LO [Danish Federation of Trade Unions] chairman voiced the idea of a "Folketing election." The continuity of the government's economic policy and relations with the union movement are in jeopardy when the government proposal on compulsory intervention with regard to some of the interest growth in insurance companies and pension funds runs into massive opposition on the part of the support parties. The continuity of employment policy is in jeopardy when the government after months of talks still can't reach agreement with the compromise parties on a job-creating arrangement.

Prime Minister Anker Jorgensen doesn't usually issue threats about Folketing elections. When he did so at the congress of the Labor Women's League on Sunday it was due to several coinciding factors according to more than one minister. The government's economic policy and its employment policy depend on the two bills that apparently won't get off the ground because the support parties won't go along with them. In other areas the government has also run into rising problems with the compromise parties. The Liberals and Conservatives are stepping up their criticism of the government, issuing a direct invitation to the support parties to cooperate with the opposition instead of the government. Finally the internal mood in the cabinet is worse than ever. At a recent group meeting the prime minister evidently criticized the opening speech drafts of several ministers. He is tired of their often contradictory statements. At the recent annual meeting of the Social Democrats Anker Jorgensen committed himself to the future joint move with the union movement and therefore he must take the consequences of this.

Other parties regard the current mood in the Social Democratic Party as one of panic. Members of the compromise party group say they haven't seen similar panic in many months of close cooperation with the Social Democrats.

As early as last spring the government tried to introduce steps against pension funds and insurance companies. Then it was in the form of the offer of a voluntary agreement but Economic Affairs Minister Ivar Norgaard did not hide the fact that legislative intervention might be the alternative. Ivar Norgaard's proposal of a voluntary agreement was rejected by the insurance companies and the banks. The proposal of a compulsory intervention was halted by the compromise parties. In spite of that the government has been working ever since on the idea of transferring the money from these institutions to active investments in business life, agriculture and housing construction. Last week the government's new plans on intervention were finally made clear for presentation to the compromise parties and they were totally rejected at a meeting Friday among the parties. The prime minister said he was willing to discuss other proposals. The support parties were offered a bouquet of business tax relief measures in return for the introduction of interest taxes on pension systems--incidentally some of the tax relief measures were those the compromise parties have demanded in return for going along with the job-creating plan.

As early as Friday, the word 'election' was mentioned in government circles. References were made to the successful use of the threat in connection with the negotiations on the A. P. Moller oil contract. On Sunday the prime minister took the word in his own mouth while speaking to the union movement which has long found it too burdensome for the Social Democrats to administer the crisis together with a number of nonsocialist parties.

Anker Jorgensen's election threat will not get things moving between the government and the compromise parties. Comments on Anker Jorgensen's speech show that the only ones who should fear an election on the taxation of people's pension systems are the Social Democrats themselves. The Liberals and the Conservatives are ecstatic, and CD and KRF can count on returning to Folketing with certainty if an election is held on that topic. These reactions have led the Social Democratic leaders to consider another negotiation opportunity before the new meeting among the compromise parties on Thursday.

6578

CSO: 3106/4

## LIBERAL PARTY CONGRESS COOL TOWARD COOPERATION WITH RIGHT

Copenhagen BERLINGSKE TIDENDE in Danish 28 Sep 81 p 7

[Text] The Liberals won't march in lockstep into cooperation with the Conservative Party. The course mapped out by party leaders has been openly criticized by a number of younger spokesmen for the party, including a member of the party's executive committee, Troels Brundsted.

At the Liberal national congress in Herning yesterday, he expressed his agreement with party chairman Henning Christophersen that the job of the Liberal Party was to organize a broad political cooperation, but he had a hard time understanding Henning Christophersen when he talked about a natural and necessary cooperation with the Conservatives. Troels Brundsted warned the public--and Conservative national chairman Poul Schluter--against receiving the impression that the Liberals and Conservatives can and should enter into close cooperation and that they should stand out as future government partners. The Liberals have declared emphatically that there is nothing to negotiate with the Progress Party about. The same attitude should apply to the Conservatives as soon as close cooperation is under consideration.

Liberal Youth chairman Flemming Oppfeldt issued a warning along the same lines, advising Liberals not to lock themselves in in relation to other parties. This would be a danger if the Liberals entered into close cooperation with the right wing in Danish politics. "In times of crisis the people want to go back to the good old days but we can't turn back. We can't guide the country by looking in a rearview mirror. A Liberal-Conservative government would lack perspective and a Liberal-Conservative-Progressive cooperation would be downright irresponsible."

Henning Christophersen confirmed his wish for trusting cooperation with the Conservatives: "We are the two remaining responsible opposition parties with market economy ideas. If the Liberals and Conservatives can't work together the people will have no confidence in any other government possibility than Anker Jorgensen. But together we do not have a majority. Therefore we must talk about a point of departure and we are doing so by presenting a number of joint bills in Folketing this fall."

Henning Christophersen then appealed to the Radical Liberals, the Christian People's Party and the Center Democrats. "We are currently taking it into

consideration that there is an agreement between the government and these three support parties," he said. "But the day they are released from this agreement or release themselves from it they won't hear a harsh word from the Liberals. They will be welcomed."

Liberal political spokesman in Folketing, Uffe Ellemann Jensen, stated that the Liberals are prepared to unite liberal nonsocialist forces in Denmark for a showdown with the Social Democrats. "The Liberals are clearly the uniting factor here in a cooperation requiring several parties," he said. "If a majority of parties wanted a Liberal as prime minister he's sitting right there." This was an obvious reference to Henning Christophersen.

At the suggestion of Liberal Youth, a statement was approved in which the attitude of the Folketing group was greeted as a step toward uniting the middle-oriented parties around a new policy. Liberal Youth wanted to add a rejection of any cooperation dictated solely by relations with the Conservative Party. But the party chairman and the overwhelming majority of the assembly could not swallow that and it was withdrawn by its backers.

6578

CSO: 3106/4

## PRESIDENT'S ILLNESS STIMULATES PARTIES' SEARCH FOR CANDIDATES

Helsinki HELSINGIN SANOMAT in Finnish 20 Sep 81 p 2

[Editorial: "Issues To Be Dealt with at Proper Time"]

[Text] The pallid discussion of recent years on the presidential question has rapidly become heated. The obvious explanation for this is the President's illness. As long as this illness lasts the political circles -- whether they want to or not -- will have to consider two alternatives. The President will either be able or not be able to return to his office after his sick leave.

The answer to this question will come in time and we should indeed exhibit patience in waiting for it. In spite of the content of the discussion the people wish the President a speedy recovery.

But for the parties this situation is without a doubt problematical. In their actions they must take all practical situations into consideration, including the fact that an election of the President of the Republic may occur before 1984, even very soon.

This is the basis of the presidential discussion, which over the last couple weeks has turned out to be surprisingly heated. Since overreactions and breaches of protocol have already been noted in the initial stage, the discussion can be described as nervous. In part the reason may be that a tight schedule is annoying for some of the parties or their internal situation is not clearly defined.

From this point of view the discussion of this issue has not begun or progressed in a reasonable manner. Many parties -- the four largest, among others -- have announced their aspiration to nominate their own candidate for the presidential elections. At this time there are and can be no presidential candidates. And for this reason the hunt for an individual begun by certain parties and party newspapers, in particular, is seen as an apparition of bygone days.

We should have all the prerequisites in our country for tackling issues when the proper time comes. Even though the preparations of the parties for all eventualities are understandable and they do not contain any stand with respect to the President, who is on sick leave, it is also reasonable to demand a certain amount of tactfulness on the part of the parties in the beating of election drums.

Only after an election date has been established and the parties have nominated their candidate should there be a time for appraisal. Until then there is reason to keep a cool head.

## SORSA SAYS KOIVISTO COULD HANDLE RELATIONS WITH USSR

Helsinki HELSINGIN SANOMAT in Finnish 2 Oct 81 p 12

[Article: "In Elections the People Should Not Be Divided in Two"]

[Text] Social Democratic Chairman Kalevi Sorsa followed Conservative Party Chairman Ilkka Suominen's example on Thursday and delivered a speech on the presidential question at a meeting of the Diet faction.

Sorsa gave his own people instructions to remain calm. We have no reason to hurry before the fact, he stated.

In his speech Sorsa criticized the bourgeois parties for a "completely negative attitude", which in his opinion can divide the people in two.

The only thing these parties want to do is prevent the election of Mauno Koivisto as president. It seems that they will be satisfied with anyone but Koivisto, stated Sorsa.

Thus the presidential election is being given a strong ideological coloring and there is a severe departure from that tradition which has been characteristic of President Urho Kekkonen. In elections people must not be divided in two, warned Sorsa.

According to Sorsa the voters of the Conservative Party cannot know the kind of political background a candidate may have or even know for whom their votes will finally go. The Conservative Party seems ready to support that bourgeois candidate who receives the most electoral votes, stated Sorsa.

## Koivisto Above Reproach

Sorsa explained the SDP's foreign policy line rather extensively to the Diet faction and Mauno Koivisto's role in making it. According to him Koivisto participated in creating the foreign policy line pushed through during Paasio's era in the party.

This line was made public in 1967 at the Socialist International and it resulted in a meeting of the delegations of the SDP and the Soviet Communist Party in 1968. Since then our relations with the CPSU have been consistent and have developed positively.

Sorsa made reference to the newly elected SDP delegation, which will travel to the Soviet Union on 8 November.

The party's relations with the East are good and in order and it is impossible to divorce from this the individual who has been developing these relations and for whom the SDP gives its unanimous trust, stated Sorsa.

The sowing of suspicions with respect to foreign policy can after the elections easily result in a deeper rift between the Social Democrats and the Center Party. Even in this matter Sorsa emphasizes the absolute necessity of maintaining calmness.

"Vayrynen Opposed to Continuation of YYA [Friendship, Cooperation, and Mutual Aid] Agreement"

Sorsa made reference to his proposal of a year ago that Finland should take the initiative in extending the YYA Agreement. If this had been done, there would be no need to discuss the continuation of our foreign policy line as much as is being done so now.

Foreign Minister Paavo Vayrynen (Center Party), however, opposed my proposal at that time, stated the chairman of the SDP.

At the meeting of the faction Sorsa was asked whether the Center Party has made any contacts about the timing of possible elections. He stated that no official contact has been made.

The party council of the SDP will convene on 25-26 November according to a notice sent out a month ago already. The party council will nominate the SDP's presidential candidate.

10576

CSO: 3107/7

## COMMUNISTS MAY HAVE DECISIVE ROLE IN PRESIDENTIAL CAMPAIGN

Helsinki HUFVUDSTADSBLADET in Swedish 19 Sep 81 p 2

[Editorial by Jan-Magnus Jansson: "People's Democratic League and the Presidential Election"]

[Text] The Finnish People's Democratic League [DFFF] is probably going to have a decisive position as arbitrator between the social democrats and a candidate with bourgeois support, and it is therefore no surprise that the center is now working hard to win them over, according to Jan-Magnus Jansson.

Recently a new discussion of the presidential election has begun which reflects the concern and agony felt about the entire problem. The concern is especially pronounced within the two largest bourgeois parties, the Conservative Party and the Center Party. It is believed that the bourgeois parties are weaker than the social democrats in the matter of the presidential election. The social democrats have the best situation, with a known and popular unofficial candidate, and they now do not need to do much besides twiddle their thumbs. Everything is going well for them. One can not avoid the thought that the bourgeois parties have surrendered the field to their competition, because the leading bourgeois politicians have so strongly opposed a serious, broad discussion of the problems of the presidential election.

An example of the concerns being felt is chief editor Jaakko Korjus' contribution in the conservative newspaper VAASA, in which, in a column entitled "Urgency is Beginning" he urges cooperation between the Conservative Party and the Center Party in the presidential election. The emphatic support which UUSI SUOMI gave to Paavo Vayrynen during the "budget crisis" and the newspaper's hard attitude toward Koivisto at the same time can also be seen as an effort to forge bourgeois cooperation with the next presidential election as background.

A development in another direction is contained in an article signed with initials in SUOMENMAA which was aimed at the communists, and which urged that Kekkonen's successor should also be elected with "Kekkonen's majority" of 1956. More specifically it was desired that the communists stand behind "a candidate put up by the Center Party, who will reliably carry out Kekkonen's line." At the same time

it was implied that support for the Center Party candidate also comes from the Conservative Party. No names were mentioned, but it is certain that the one who can best attract this special combination of support is Ahti Karjalainen.

How the communists will position themselves in the coming presidential election, regardless of the time of the election, is an urgent and in many ways central question. Perhaps one should really speak of DAFF or the people's democrats, since the noncommunist part of the people's democrats obviously is determined to play an independent role on this issue. But the communists' attitude is obviously the most important.

As will be remembered, the communists decided the 1956 election. They failed by dividing their votes for Paasikivi's ill-conceived second-round candidacy, and their support was decisive for Kekkonen's election to the presidency.

There are many indications that they can again play a decisive role in the coming presidential election. Although the plans for the election are far from clear, it is still possible to draw up possible scenarios

A not impossible alternative is that Koivisto's popularity is so great that the parties on the left could get a majority in the electoral college for the first time in our history. Of course with their own candidate the people's democrats can not do especially well. But discipline in the ranks of the party, and awareness that the people's democrats can effectively influence the outcome of the election, can still save them from an election catastrophe.

Such a situation obviously gives DFFF special opportunities for manipulation. If the party's electors give their votes to a social democrat--Koivisto or perhaps another--he is elected. If the people's democrats on the other hand prefer a candidate from the center--which can only happen with foreign policy motivation--this will also influence the outcome of the election. It can be expected that the Conservative Party will not this time repeat the maneuver of 1956, of supporting a social democrat, even though many in the party sympathize with Koivisto.

If the electoral college has a bourgeois majority as before--one can assume a return of voters to the normal party folds before the election itself--the communists are not thereby defeated. The small parties on the right--especially the Finnish Rural Party and the Constitutional Party which could crop up again--have such a strong grudge against the center and especially against its K-line that they probably prefer Koivisto over, for example, Karjalainen, and they can still get support from the straw votes of other parties. In that situation the communists' position, as in 1956, can be very important.

There are excellent reasons why the middle parties and others are appealing to the communists for support. The concerns of DFFF can be separated into three parts. Party Chairman Kalevi Kivisto advocates cooperation on the left, and has by word and deed shown that he is not against backing Koivisto. The Taistoist branch, on the other hand, will in all probability vote for an acceptable candidate from the center, preferably Karjalainen, if the alternative is Koivisto.

In a key position, therefore, are Saarinen and DFFF's majority wing, which for the time being is pretty much undecided. Both Saarinen and KANSAN UUTISET have hurried - to respond to the article in SUOMENMAA in words which are mostly formal, but still seem to hold a chilly attitude toward the center. In the well-known interview in HUFVUDSTADSBLADET on 18 October 1980 where Saarinen said thumbs down to Koivisto he said that "social democrat or bourgeois" makes no difference, if it is only a person who can maintain the foreign policy line. In a later connection, however, he also spoke negatively about Karjalainen. In today's situation there are signs that the communists give priority to leftist cooperation at almost any price, which of course can support Kivisto's line. One must also remember Aalto's attack against cooperation with the social democrats on the matter of the presidential election.

In such a situation it is entirely logical that the center intends to soften up the communists with various foreign policy arguments. In SUOMENMAA it first happened with an article by an author who condemned the powers behind Koivisto--with deliberate venom in passing--that it is Vennamo's party which most decidedly supports Koivisto's election. Koivisto himself is described as inexperienced in foreign affairs, while we really need a man who is "the best and most confident of all."

It would undoubtedly be naive to believe that a Center Party which fights as the underdog can not win foreign policy arguments. When the party goes into the ring it will undoubtedly do all it can to retain the post of president. And then the attitude of the communists as allies or opponents is of decisive weight.

9287

CSO: 3109/11

## CP SECRETARY AALTO SEES FRENCH MODEL FOR STRATEGY

Helsinki UUSI SUOMI in Finnish 23 Aug 81 p 20

[Article by Olavi Jouslehto]

[Text] When chairman Arvo Aalto of the Finnish Communist Party [CP] offered last week to negotiate about collaboration and extended a brotherly hand to the Social Democrats, several people were left to wait and wonder. It was discussed whether Aalto was offering the hand of the CP to chairman Kalevi Sorsa or to Prime Minister Mauno Koivisto. And since the offered collaboration in the coming presidential election is always regarded as nothing other than part of CP tactics, it was also wondered, in a broader perspective, whether Aalto was offering the hand of Jacob or Esau? In his article in the communist paper, Aalto offered the Communists and the Social Democrats negotiations for collaboration in budget and employment matters, as well as in improving the position of state companies, and in international matters.

The most remarkable and also, according to the writer, the most essential matter was the offer to collaborate in the election of president Kekkonen's successor.

One might of course ask whether in his offer regarding the president question Aalto only was trying to tempt the Social Democrats to support the other political demands of the Communists.

#### The Discussion About Kekkonen's Successor Initiated

One thing that stands out in Aalto's offer is, however, that with this offer the discussion about the president's successor was finally launched by the communists. It has been a long time since they have listened to groups who urged the matter not be discussed for the sake of giving the current president peace enough to work, etc.

What are then actually the goals of Arvo Aalto, known as a hard tactician and obviously the next Communist Party chairman? Is his goal to find a common presidential candidate or a president of the left, or is it a situation wherein the Communists realize that no foreign policy or other conditions exist which enable them to march behind a specific person mentioned, or behind a Social Democrat in general?

Aalto's offer does not lose its significance, although the Finnish People's Democratic League chairman Kalevi Kivisto said on Friday in ILTALEHTI that the People's Democrats will put forth their own candidate in the election for the presidential electors. In his opinion it is impossible to imagine that the Finnish People's Democratic League would enter the election without their own candidate.

According to Kivisto's interpretation, Aalto does not aim either at having a common presidential candidate with the Finnish Social Democratic Party.

### "No Tactics"

Arvo Aalto denies that he would have some tactical trick in the back of his mind.

He explains that in France the power shifted to the left when leftists were present-  
ed in the presidential and parliamentary elections when they were sufficiently  
unified and had clear radical leftist stands. "There seems to be a leftist trend also  
in Great Britain and in Sweden, according to opinion polls."

According to Aalto, the direction of the trend and the changes in the general atmos-  
phere are obvious. The question is how to perceive this. Aalto wants the Social  
Democrats to think about this.

According to Aalto, there has been a rightist social climate in Western Europe during  
the economic stagnation. This has created and continues to create counterforces.

"We are Primarily Looking for Political Conditions...."

In a way, Aalto is dividing his offer according to two goals.

In the presidential matter, Aalto says that his first goal is to determine whether  
it is possible to find, among the Communists and the Social Democrats, the political  
conditions to unite behind a common presidential candidate.

"If there is such a basis it will then be far easier to reach an agreement."

"If such a basis cannot be found it will be very much harder to agree on a common  
candidate."

"Another goal is governmental-political." Aalto says that if government politics  
cannot be altered to better represent the current political situation, its work will  
lead nowhere.

It is possible to understand from Aalto's way of thinking that, if the leftists are  
not able to reach agreement during the negotiations regarding the president and  
political issues, this will have a damaging effect also on the collaboration between  
the leftists and the centrists, the so-called people's front.

Aalto does, however, consider it premature to think that the Communist Party would  
turn to the Center Party should they be rejected by the Social Democrats.

The Names of Possible Presidential Candidates not Revealed.

Chairman Aalto does not even informally agree to take a stand on the Social Democrats'  
alternatives for a president.

Question: Would Mauno Koivisto be accepted as the Communists' candidate?"

"The answer is found in the previous discussion," answers Aalto. From this one might conclude that Koivisto would be acceptable if the Social Democrats and the Communists are able to reach an agreement beforehand regarding future domestic and foreign policies. One may assume that the Communists will impose the same conditions on the other Social Democrats as well. As for Kalevi Sorsa, the threshold might be slightly lower.

It is, however, essential to note that there is not very much enthusiasm in the social democratic inner circles for this kind of an agreement. In the light of opinion polls, such an agreement could be seen as the hands of the larger party being tied by the ropes of a shrinking party.

Even the Social Democrats do, however, notice that in Finland the Communists' ropes go in two directions. While they tie on the inside they untie on the outside. This is at least the thinking of our leading politicians. It still is.

It is Inevitable to Discuss the Matter of the President.

According to Aalto, a discussion of the president situation is inevitable. Therefore the Communists are ready to start the discussion as soon as possible.

"We have not received any information according to which the president of the republic, Urho Kekkonen, intends to continue as president after the present term is over or to be nominated for president."

"Therefore the discussion cannot make his work as a president difficult."

"In these discussions we want to find a common ground with the Social Democrats, or at least a basis headed in the same direction for the nomination of a presidential candidate."

With "the same direction" Aalto means a situation whereby essential matters are decided unanimously and the rest negotiated.

The extent of the present collaboration is not, according to Aalto, sufficient for the presentation of a leftist alternative.

#### Differing Opinions

According to Aalto there are differing opinions within the communist movement regarding the suggested presidential candidates.

This concerns all the candidate names.

The Communist Party also is divided into two groups. The more radical group has refused to collaborate in the present Mauno Koivisto government.

Aalto says that the majority has accepted the present government policy mostly for two reasons: The international situation is tense and, with the present government as a basis, it has been possible to prevent the rightists from becoming more influential in the handling of the matters of the country than they currently are.

"There are of course architects who design a coalition government consisting of the four major parties, but that is not realistic."

"All the present governmental parties would suffer from that."

#### Saarinen's Offer Rejected

The Communists have, during the past decades, offered to negotiate several times in order to sharpen the leftists' politics.

Chairman Aarne Saarinen made a broader offer in the beginning of the 1970's while Rafael Paasio was still in the leadership of the Social Democratic Party.

That offer did not produce any positive results.

The attempts for collaboration between governmental groups could be considered as some of the more restrictive offers.

When the Communists on different occasions have attempted to tighten the government front of the leftists, the Social Democrats have somewhat consistently avoided them in a discreet way.

The Social Democrats do not seem to be excited by the Communists' proposal this time. In the coming hard times it might, however, become clear, with what basic pattern one is proceeding in the president and government matters.

The situation is in any case expected to become clearer in one way or another during the next few months.

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## CP LOOKING LESS TO KEKKONEN IN PRESIDENTIAL RACE STRATEGY

Helsinki UUSI SUOMI in Finnish 23 Aug 81 p 2

[Commentary by Johannes Koroma]

[Text] The Finnish Communist Party organ with the highest decision-making authority, the political committee, or in international terms, the politburo, has during the summer drawn precise guidelines for its own presidential game.

The goal of the Communist Party is high: since the Communists can at this point hardly have their own president in Finland, the president ought to be a man who works on the communists' terms.

There is French elegance in the party tacticians' thinking. With the help of a Finnish Mitterrand, power will be shifted to the left. After the presidential elections, new parliamentary elections will be held and clear leftist politics will be carried out.

The Finnish communists have learned a lesson also from the mistakes made by their French comrades. In France the communists gave their support almost without guarantees of compensation. In Finland the communists intend to present the bill for their help both before the presidential elections as well as afterwards.

The leadership of the Communist Party considers the presidential elections to be tactically as the most important political event of the near future. This does not diminish their importance. This explains to a large extent what happened last spring at the party congress. The government policies are seen from this perspective. And therefore the presidential election has to be carried out with new candidates, according to the Communists. The Communists would not be able to take advantage of this situation if president Kekkonen continues. In the politburo's evaluation of the situation, the alternative of the current president continuing is not even considered. Attention has not been paid either to the wishes that the president in office have peace to work.

The Communists are in a hurry. They do not even have time to wait for half an election term. The decline of party support has been too steep and the inner conflicts too great, for the Communists to be able to wait until the 1984 presidential elections are over. An outward harmony and peace between the two disputing wings are necessary for the coming presidential election. This election and successful election tactics would be enough to turn the sad development into a better direction.

Communist Party chairman Arvo Aalto's recent offer to negotiate with the Social Democrats is also based on these calculations. According to the opinion of the leadership, it is important for the Communists to be able to nominate their own presidential candidate this fall. The nomination of a candidate and the planning of election tactics requires a determination of other possible candidates, who among these have chances of being elected, and the kind of political forces that can be gathered behind each one of these candidates.

The negotiations with the social democrats might lead to important information regarding the party's calculations and ways of thinking. The Communists would like to have a solution similar to the French model, but it would be easier for them to support Kalevi Sorsa than Mauno Koivisto.

But if the French solution requires that Koivisto be accepted, that would not be insurmountable for the Communists. The price for the communists' votes might at the most increase somewhat. The Communists' leadership believes that not even the timing of the election is guaranteed. It is therefore even more important to start the negotiations, to clarify how much the social democrats are prepared to pay for the communists' support so that dealing with the Center Party can be initiated. The Communist Party would like to get part of the compensation agreement beforehand just to be sure, while the present government is in charge. So that things would not go the way they did in France.

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## PAPER VIEWS EFFORT, PROSPECTS FOR MIDDLE PARTIES' COOPERATION

Helsinki HELSINGIN SANOMAT in Finnish 19 Sep 81 p 2

[Editorial: "Will the Center Be Able to Rise?"]

[Text] The parties of the political center have opened up the way to organizational cooperation and thus have taken an important step in principle. They have agreed on a chairmanship for the cooperation commission established last spring as well as approved a plan of action and an economic policy position for the current year.

The goals of cooperation are now, of course, completely different than those of the center factions at the time our country became independent. At that time the primary goal was the establishment of a democratic form of government. Now the three parties of the center -- the Center Party, the Swedish Peoples Party, and the Liberal Peoples Party -- have announced that their main goal is "to prevent from the point of view of the country the detrimental division of the political field," which as such should be supported under our conditions. In Finland the voters are not satisfied with just the alternatives offered by the left and the right.

The defense of a parliamentary system and increased opportunities for citizens to influence their own lives are a part of the center's announced and self-evident tasks. Correspondingly, it should strive to reject traits of a corporate system, "the aspirations of labor unions to extend their power beyond their sphere of operations", in accordance with the role it has adopted.

The notice of the announcement is not exactly interesting for its novelty, but it is necessary. For the first time it limits and describes the current ideological basis of the center parties during a completely new type of cooperation, which began gradually with declarations at the end of the 1960's.

The desire for cooperation among the center parties has become stronger primarily as a result of changes in the population structure, the political patterns of people, and the support for the political parties. The traditional constituency of the former Agrarian League and the present Center Party has diminished perceptibly. The same has happened to the Liberals and the Swedish Peoples Party. The political power of the whole center has weakened significantly. In 1966 support for the three parties taken together was still 33.5 percent of all the votes counted with 70 seats in the Diet while in the last parliamentary elections this support was only 25.2 percent with 50 seats in the Diet.

The Agrarian League/Center Party was at its strongest after the war until the 1970 parliamentary elections. In the 1966 elections it still obtained 49 seats and 21 percent of the votes while 4 years later it had only 36 seats and carried only 17 percent of the votes. In the last elections the results were comparatively the same even though it clearly received more votes.

Support for the Swedish Peoples Party has also continually declined. In the 1966 elections it obtained 12 seats and 6 percent of the vote while the corresponding figures 2 years ago were 10 and 4.2. Predictions about the population development of the country's linguistic minority point to a continuation of this trend.

The best days for the LKP [Liberal Peoples Party] and its predecessors were in the postwar years of the 1950's and 1960's. Relatively speaking, the best year was 1954 when the proportion of votes was 7.9 percent and 13 seats in the Diet. Since then the decline has been continual so that the relative proportion of votes in the last elections was only 3.7 percent and 4 seats in the Diet.

A part of the reason for the paucity of Diet seats for the Liberals also lies in the election system, which favors the large parties. When, for example, the SDP, the Conservative Party, and the Center Party needed an average of more than 13,000 votes each for one Diet seat in the last parliamentary elections, the Liberals needed 25,600 votes while, on the other hand, the RKP [Swedish Peoples Party] came out with an average of 12,240 votes per representative.

In light of this, it is quite understandable why the Liberals have promoted a nationwide election alliance in cooperation with the center. With election alliances it is possible to correct the injustice in the election law with respect to the calculation of seats. In the next elections they can be a fateful question for the Liberals and also prevent the RKP from withering away. It is doubtful that the Center Party will lose anything from an election alliance, even, to the contrary, depending on where and how the alliances are formed: less votes are lost.

Finnish society needs the kind of political center and cooperation in which the parties will create a definite profile for themselves. In order to become stronger in the political arena, the center needs much more than declarations and high-level cooperative organs. It needs a continuous search for common platform points and a strengthening of its ideological leadership.

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## CITIZEN ATTITUDES; LEFT-RIGHT DIVISION; CONFIDENCE LOSS

Paris LE MATIN in French 7 Sep 81 p 13

[Article by Jerome Jaffre, SOFFRES director of political studies analyzing various post-election polls by SOFFRES, IFOP and Louis Harris]

[Text] The balance sheet for Francois Mitterrand's first 100 days would not be complete if it did not include a study of the evolution of French public opinion since the installation of the Left in the seat of government. Just this past weekend most of the big polling institutes released the results of their polls taken after the return from summer vacation. Is the opposition right in maintaining that the grace period is over? Jerome Jaffre does not think so, but he observes that it is "the end of unanimity."

Does the grace period still exist? The question deserves to be asked now that the latest monthly FIGARO-MAGAZINE-SOFRES [French Opinion Polling Company] poll results have been published. This barometer is in fact the only one of all the recent polls that can be said to have continuity and permit analysis of the evolution of public opinion since last spring. Now since the end of June, we have noted a distinct deterioration in the economic and social climate — 74 percent of the French feel that government action against the rise in prices has been ineffective, as against 43 percent in July — and a drop in the popularity of the new leaders: Francois Mitterrand has lost nine points in 2 months and Pierre Mauroy five.

With the return to work, has the grace period come to an end? No, it seems not, if we consider the fact that it depends not only on the popularity of the Socialists, but also on the weakness, indeed on the division within the ranks of their partner and their adversaries. Now the grace period corresponds to a political situation which is quite completely exceptionally favorable to the Socialists. Let everyone judge for himself.

Despite its decline, the popularity of the president (62 percent of the French have confidence in him) and the prime minister (68 percent trust him) is at a very high level. The current percentage of confidence in Francois Mitterrand corresponds to what it was during the period that was most favorable for Valery Giscard d'Estaing, the one that followed the 1978 parliamentary elections.

This level of confidence is all the more striking since the French obviously have a clear understanding of the difficulties the Socialist government is running into.

According to the L'EXPRESS-Louis Harris poll, 70 percent of those polled rank the world economic crisis as the top obstacle and 54 percent attribute difficulties involving the franc to the American interest-rate policy.

Communist voters are extending almost total support to Francois Mitterrand and Pierre Mauroy's actions. The confidence they accord the president is even greater than that of the Socialist voters (91 percent versus 89 percent)! The corresponding figures for the prime minister are noticeably close (91 versus 92 percent).

The Socialists are, moreover, benefiting from the current weakness of their partner and their adversaries. For the time being the Communist Party (PC) does not seem to be profiting from its loyal participation in the government. Let us take a look at the figures offered by the FIGARO-MAGAZINE-SOPRES barometer a year back. In September 1980, a few months after Russian tanks entered Afghanistan, the PC amassed 26 percent of the favorable opinions and 21 percent of the French hoped to see Georges Marchais "play an important role during the months and years to come." A year later — and after so many events! — the figures still show 26 percent for the party and 21 percent for its secretary general. Only 34 percent of the Socialists express a good opinion of the PC (whereas 95 percent of the Communists have a good opinion of the Socialist Party). On the Right, the popularity of the big leaders, as well as that of the UDF [French Democratic Union] and the RPR [Rally for the Republic], at present commands no more than a third of the voting public, whereas the Socialist Party has captured 69 percent of the favorable opinions.

And a final trump card: the division of the opposition, in its organizations, its leaders and also its voters. If the popularity of Jacques Chirac and Valery Giscard d'Estaing has advanced so little (one point for each in comparison with July), it is because both of them occupy only modest levels in the other family of the former majority: Valery Giscard d'Estaing garners only 46 percent of the "hopes for the future" among RPR voters and Jacques Chirac 43 percent among UDF voters. Feelings of resentment are still enduring since party ratings are higher: 53 percent of RPR voters have a good opinion of the UDF and 56 percent of UDF followers have a favorable opinion of the RPR.

While the grace period did not end with vacation time, the post-vacation period would, on the other hand, appear to mark the end of the unanimity that surrounded the Socialists after the 10 May vote and which had enabled them to achieve a very big advantage in the June parliamentary elections.

Mutatis mutandis, Francois Mitterrand's popularity has caught up with General de Gaulle's of 1958 and that of Pierre Mauroy, as prime minister, has established a high never before attained in the history of polls. At any rate, 75 percent of those interviewed during the post-election NOUVEL OBSERVATEUR-SOPRES poll felt that the new National Assembly closely coincided with the wishes of the French, whereas the Left had garnered "only" 56 percent of the votes cast and, due to the large number who abstained from voting, 39 percent of the registered voters.

As was the case on two occasions since the war — during the liberation and General de Gaulle's return to power — the spring and summer of 1981 have thus constituted a moment of unanimity in our political history. The day after his assumption of office, the traditionally most conservative social classes demonstrated their confidence in Francois Mitterrand: 68 percent of the farmers, 65 percent of the small

businessmen, 59 percent of the executives and professionals and, lastly, 70 percent of those who are retired. Considered in terms of political preference, 33 percent of UDF and 39 percent of RPR followers extended their support to the new president. We may assume that this has to do with the 1936 syndrome: A large portion of the conservative voting public in this way displayed its satisfaction with seeing a change that it feared might be a bitter and violent one take place in an atmosphere of calm, with neither demonstrations nor strikes and, even more to the point, without factory sit-ins.

Three months later, things have changed. How can we be surprised that the Socialists are setting in motion the great reforms they had promised (nationalization, general property tax, abolition of the death sentence)? The recoil from the president is particularly notable among moderate voters (chiefly RPR) and independent workers. Public opinion is gradually returning to the Left-Right cleavage and for one segment of it to a political and social stiffening of attitude.

This return to traditional lines does not for all that correspond to a 50-50 alignment in terms of the balance of power, which prevailed between the two coalitions during the 1974-1981 period. The Left — that is, essentially the Socialist Party — possesses a clearcut edge over the opposition, which is for enlargement of its public support. Indeed, we cannot lose sight of the fact that the three classes that are most hesitant with regard to Francois Mitterrand (farmers, small businessmen and executives) represent only 22 percent of the voters. On the other hand, the president has assured himself of the support of pensioners (58 percent say that they have confidence in him) and even more so of white-collar workers and middle management (68 percent). The Socialists' popular base rests on these two classes, which account for almost half the voters.

As for the opposition, to express itself fully and hope to take over the government, it will have to wait until the first signs of a reversal of public opinion appear. Holding all the trumps, the Socialists are for all that not safe from a setback the voters could deal them. The discrepancy between the percentage of confidence (60 to 70 percent) and the balance sheet for the first 100 days, measured for LE POINT by the IFOP [French Public Opinion Institute] (45 percent with favorable opinions and 25 percent without any opinion), is striking. Public confidence can become a trap if the Socialists are not careful and realizations of plans may appear to be bungled, sometimes too timid, sometimes too daring. "From the ideal to reality," this concern which LE MATIN reminded us of at the beginning of its report and balance sheet, is also a confrontation between the new government and the French people.

# Evolution of Confidence in Francois Mitterrand

|                                        | June | September | Difference |
|----------------------------------------|------|-----------|------------|
| All voters                             | 74   | 62        | -12        |
| Occupation of Head of Family:          |      |           |            |
| Farmer                                 | 68   | 51        | -17        |
| Small businessman, craftsman           | 65   | 45        | -20        |
| Executive, professional                | 59   | 46        | -13        |
| Middle management, white-collar worker | 79   | 68        | -11        |
| Worker                                 | 81   | 72        | - 9        |
| Inactive, pensioner                    | 70   | 58        | -12        |
| Party Preference:                      |      |           |            |
| Communist Party                        | 92   | 91        | - 1        |
| Socialist Party                        | 96   | 89        | - 7        |
| UDF                                    | 33   | 19        | -14        |
| RPR                                    | 39   | 15        | -24        |

Source: FIGARO-MAGAZINE-SOFRES barometer.

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FITERMAN: UNEMPLOYMENT, INTERNATIONAL RELATIONS

Paris HUMANITE-DIMANCHE in French 4 Sep 81 p 5

[Interview with Charles Fiterman, Minister of State for Transportation, by Claude LeComte; Paris, date not given]

[Excerpts] [Question] Many commentators have set about to assess the record of the new president's first hundred days. Charles Fiterman, you have not been a member of the government for all of that period, but as a minister of state, you must certainly have an opinion about that record.

[Answer] Most assuredly. But before coming to your question, I would like to point out that we ourselves--that is, the PCF [French Communist Party] and its candidate in the presidential elections--presented a package of solutions to end the crisis the country is in, and it was a package which we considered and continue to consider to be well thought out. By its vote, the country made its choice.

From that point of view, the whole problem for us consisted in trying to determine whether it was possible to find a sufficiently broad convergence between our proposals and those of the newly elected president of the republic.

This was the subject of the discussions which then ensued with the PS [Socialist Party], and of the accord which came out of those discussions. It is in this framework, and at the pace of reform pre-supposed by it, that the whole government team is working together, including of course the communist ministers.

Consequently, it is also in terms of this framework that I am assessing what has been done. I would add that we are serious people, and we are taking into consideration, in making our assessment, the state in which we found the country, the crisis provoked by the policy of the previous government, and also the international environment.

With those facts in mind, I consider that in the short period to which you refer the first positive steps have been taken in many areas. And contrary to what has been written, these are not just symbolic measures, but measures which have had concrete impact on the lives of the French people. Others, more far-reaching, have been launched. Thus, we are going in the right direction.

Moreover, all signs indicate that the government's actions thus far are being perceived that way by the country as a whole. Naturally, we must keep moving ahead.

[Question] All the same, the French people are upset by the persistence of unemployment and inflation in the cost of living. Do you think there are ways right now to remedy these problems?

[Answer] I understand this anxiety of which you speak, because these are in fact basic questions both for the French people themselves—especially for the workers and youth—and for the economy of the country as a whole. While this anxiety may be legitimate, what by contrast is not legitimate is the uproar being orchestrated by some rightist groups, and also by a few others. Those people are blaming our problems mainly on the reforms promised or being considered by the government, such as the nationalizations and the estate taxes, and they are predicting the most catastrophic repercussions.

But it is quite obvious that the present government would have no more success than its predecessor if it pursued the same policies, if it did not execute the reforms without which it will not be possible to move forward on the path of change. At bottom, what these "whimpering rightists" would really like is somehow to "erase" the political decision made by the majority of the country, impede change, and propel the government down a path that will lead to future problems. I would observe too that the same people do not hesitate to demand that the government accomplish in 7 days—and I have certainly observed this in my own case—what they were not able to do in 7 years...or rather build back what they demolished in 7 years!

Well, now, Lecanuet, d'Ornano, Toubon, Stasi and others might as well get used to it: the French people have cast their votes. And the government does not have to base its actions on the recriminations of those who created the problems, but rather on the decision and expectations of the country.

[Question] But precisely what is to be done? That was the meaning of my question.

[Answer] Specifically, our action will be aimed at attacking inequalities and special privileges, the confusion and mistakes of the previous administration, moving forward along the various directions of the new policy which makes jobs the top priority.

In that connection, you have observed that the recent decisions made by the government at the request of the president of the republic are aimed at accelerating the implementation of measures to deal with a difficult situation. I had personally become firmly convinced that it was desirable to move in this direction. Realism and seriousness are not incompatible with the determination necessary to succeed. I want to add that in this situation, considering the attitude of the hidden and open opponents of change, it is more necessary than ever to urge the workers, the citizens, to participate actively in the transformation effort, to be informed and determined players. No opportunity to create favorable conditions for transformation should be ignored.

[Question] Another consuming topic: the international situation. Making allowances for the scare campaigns of the "revelations of Nostradamus" type, do you not all the same think that certain recent events, such as the affair of the Libyan planes shot down by American air power, or the South African attack on Angola, are leading to increased tension?

[Answer] In reality, one cannot help being concerned by certain aspects of the international situation. I can see that in very large part they are linked to the attitude of the United States Government.

This strategy of flexing "the big muscle" is dangerous. It may give rise to risky ventures, and it could cost people dearly--all peoples. I would also add that it is flying in the face of public opinion, especially in Europe.

Naturally, everyone must provide for his security, and we in our own country insist on doing likewise. But shows of force are precisely what the world does not need: what it needs is a real willingness to move forward on the road of negotiations, disarmament, and peace. This is certainly the way we are going to have to move, and the sooner the better.

With that in mind, and looking at what our government is doing, I am 100 percent in favor of the spirit of the agreement between the parties in the new majority, which says, and I quote, that: "The two parties will support international action by France--while respecting its alliances--to bring about peace and gradual disarmament, with a view to the simultaneous dissolution of the military blocs, while assuring the balance of power in Europe and in the world, and each country's security."

In reality, it is in its actions in support of these great objectives that France is able--as it has both the inclination and the resources--to play an international role that is unique, distinct from that of the superpowers, and contribute thereby to the building of a peaceful and just world order.

Some initial decisions are already showing the changes taking place in this field, for instance--and I will confine myself to a single example, to which your question refers--the position taken by France on the Angola affair.

[Question] In a recent interview, Prime Minister Pierre Mauroy gave his view that the contract between the parties which make up the government is being respected. What is your view?

[Answer] Regarding that question, I would like to reiterate that we did not enter into that contract simply out of tactical considerations, to gain time and then drop out when problems arise. Some commentators in August tried again to gull people into believing that deceitful theory.

No, what we want is to meet the expectations of the country, to implement solutions to the problems it faces, ending the crisis, making use of all our own potentialities to that end, and at the same time preparing the groundwork for further progress in movement toward democracy. Struggle, respect for universal suffrage, and unity in the quest for change are the permanent axes of the policy defined by our congresses. As for the progress of the PCF, this is precisely what is occurring through this

constructive, dynamic, and responsible activity in which it demonstrates and will continue to demonstrate its ability to embody the future, its irreplaceable role. Right up to self-regulating socialism, if it were up to us alone! Of course, it is a complex journey, but this is the right way, and this is why we have chosen it. Furthermore, beyond the initial assessment that I mentioned a few moments ago, I think that what is apparent at this time to millions of Frenchmen is that there are communist ministers and, contrary to the endlessly reiterated predictions of some, there has been no cataclysm. To the contrary, the government is functioning, democracy is making gains, and we are moving closer to solutions. The experience that is being gained is, I am convinced, of great importance for the future. So, the contract? I think, like Pierre Mauroy, that it is being respected by both sides, and I am pleased that it is.

[Question] So, no problems?

[Answer] That is not the question. Life continually gives rise to problems And how could it be otherwise when it is precisely a question of governing under such complex conditions?

The real question is whether, in each case, in addressing each problem, and in the framework of the rules for governmental action, mutually agreed decisions can be reached. Decisions which respect the promises made to the country, which express the fact that we have decided to govern together, as the country intended. It is in this way that we have begun to move forward and will continue to move forward.

[Question] Your particular field of responsibility is for transport. What are the most urgent problems, as the parliament reconvenes? Are you preparing major plans for the future of the transport sector in our country?

[Answer] I said when I first took up my responsibilities that I wanted before anything else, before announcing major decisions, to make a detailed study of the issues and have extensive consultations. I have devoted a great deal of time to this for 2 months now. Now I am going to present some wide-ranging proposals to the council of ministers. Very soon, there will be movement toward their implementation, taking into account that the reality of the situation, in all its aspects, demands sustained, stubborn, persevering action.

It is enough for the moment for me to say that I certainly expect, in the field of transport, as in the other fields, to break with the previous policy, to respond to the imperatives of economic recovery, jobs, development of a transportation system which better answers the needs of the country, and the satisfaction of the legitimate demands articulated by the personnel in that great sector of activity.

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## DEVELOPMENTS ON FUTURE OF NETHERLANDS ANTILLES

## Summit in The Hague

The Hague ANP NEWS BULLETIN in English 28 Sep 81 pp 4,5

[Text] Willemstad, (Curacao), September 28--The Netherlands and the Netherlands Antilles agreed here on Saturday on government-level talks in The Hague at the end of next month on the future of this six-island Caribbean nation.

The agreement was announced after talks here between visiting Antilles Affairs Minister Joop den Uyl and Prime Minister Don Martina of the Curacao-based central Antilles government.

Mr Den Uyl, here on a 24-hour fact-finding visit, told newsmen that Aruba's demand for independence from the central government would be one of the main issues to be discussed.

He said the Hague 'summit' would in first instance be confined to the Realm government (the Dutch cabinet plus one Antilles minister) and the central Antilles government. An Aruban delegation would later be invited to attend.

The Dutch minister said the country's political problems had been aggravated by Aruba's recent walk-out from the central government after a conflict over oil exploration rights.

## Aruban Demand

They had been made even more complex by doubts on the part of the central government about the feasibility of a decision made in principle at the round table conference on the Antilles in The Hague in February that the six islands would stay together for 10 years.

Aruba is now demanding early agreement--and not after 10 years--on its independence from Curacao.

Mr Den Ayl said that the Hague summit was to make clear whether any purpose would be served by proceeding on the round table conference formula.

Politicians from Curacao as well as Aruba had told him that no purpose would be served by discussions on a 10-year transition period, as agreed in February.

Any follow-up conference would have to settle the constitutional structure of the Antilles. Curacao wanted clarity on the Dutch stand towards Aruba's independence aspirations and Aruba's demand for Dutch guarantees in the areas of defence and foreign affairs.

#### Dutch Guarantees

Aruba on the other hand wanted early agreements with the Netherlands on independence and Dutch guarantees on defence and foreign affairs.

Before leaving here on Saturday Mr Den Uyl said he was still working on the assumption of a six-island nation. It was up to Aruba, he said, to show at the Hague talks next month whether its demands were really as hard as they looked.

Commenting on this Aruban independence leader Betico Croes said Mr Den Uyl's remarks had stirred bad feeling in Aruba. The leader of the majority MEP party said Aruba was unanimous and determined in its pursuit of independence, as was shown by the establishment of an all-party commission for independence early this month.

#### Den Uyl Comments

The HAGUE ANP NEWS BULLETIN in English 30 Sep 81 p 1

[Text] Amsterdam, September 29--Antilles Affairs Minister Joop den Uyl said on return from the West Indies and Canada today that a study of all aspects of independence for the Caribbean island of Aruba appeared to be inevitable.

He said plans for a transition period of 10 years during which the six islands making up the Netherlands Antilles would not make use of their right to self-determination appeared to have been overtaken by events.

The transition period, during which the parties would strive for a close and lasting cooperation, was a provisional finding of a round-table conference on the future of the Antilles held in The Hague last February.

Hard and fast decisions were to be taken at a second round table conference to be held later this year. Instead government-level talks on the future of the Antilles will now be held in The Hague at the end of next month.

Agreement on this was reached between the Dutch and Antilles governments during Mr Den Uyl's visit last Saturday.

#### Different Ways

Aruba, population 58,000, has been seeking independence from the Curacao-based central government of the Netherlands Antilles and a Commonwealth type of relationship with the Netherlands for some time.

Mr Den Uyl told newsmen at the airport here that neither the MAN party of Antilles Prime Minister Don Martina nor the MPE party of Aruban independence

leader Betico Croes were willing to proceed on the road taken at the round table conference.

'Indications are that the Dutch government too must agree first at Aruba's independence,' he added.

He emphasised that the Dutch government would continue to insist on close and lasting cooperation. However, this could be achieved in different ways, he added.

Mr Croes had told him that he too was striving for a close and lasting relationship but with an independent Aruba.

Mr Martina, an advocate of the 10-year-transition period, no longer thought the plan was feasible.

The political conflict in the Antilles came to a head when Aruban ministers walked out of the central government early this month following a conflict over oil exploration rights.

Mr Den Uyl said both Mr Martina and Mr Croes had assured him that the situation could not be restored to pre-crisis days even if the oil dispute were solved.

In Canada Mr Den Uyl attended the annual informal talks of social affairs ministers from the countries belonging to the organisation for economic cooperation and development (OECD).

CSO: 3120/8

## PCP EMPHASIZES ORGANIZATION OF RANK AND FILE

## Organizational News

Lisbon O MILITANTE in Portuguese Sep 81 pp 3-7

[Article: "The Organizational Campaign Must Be Revived"]

[Text] As had been anticipated, the recent vacation period and the organization's mobilization to prepare for and to hold the AVANTE! [Forward] celebration caused a slowdown in the organizational campaign.

After a long series of meetings and concrete measures that have been implemented, and after notable progress in essential aspects of the campaign, there has been a kind of interregnum which has not proven useless even from a campaign standpoint. In at least some organizations, they found a way to take advantage of this period to intensify the analysis of the cadres, in order to devise some plans regarding their training, and also to decide upon some concrete assistance.

But what is essential now is to revive the campaign, and to review the steps taken and continue them; and to extract the experience gained during the past months and find a way of applying it to the front, as well as putting to good use the awareness that has been achieved, so that we may better and more rapidly overcome the obvious organic shortcomings that still persist.

## Quick Assessment of the Past Months

In August, an assessment was made of the major steps taken in the organizational campaign. The summary of that assessment, in very brief comments, was given at the O MILITANTE booth during the AVANTE! celebration. It is that sign which the foregoing photograph shows.

We can make some more comments here about the assessment which, without attempting to be too stringent, corresponds to the real situation or, in some respects, falls short of that real situation.

## On the Comrades Who Were Contacted

With regard to the contact with all the comrades, nearly all the regional organizations had already contacted over half the comrades considered to be dissociated, by the end of July.

From that great experience, the idea that many comrades are being lost for the simple reason that they have not been followed up with any regularity became even more clearly evident. There are many instances of comrades who are not in their location, who have changed jobs and residence, and it is so difficult to find out where they are that the organizations decide to eliminate their registration. One may readily predict that, with this measure, part of the recruitment carried out during the year will be reduced, because of not counting many comrades whose whereabouts are unknown.

A large number of comrades still need to be contacted. There are, without doubt, regional organizations that will take this decision of the Central Committee to the ultimate instance; but, in some organizations, it will be necessary to continue solving this problem next year.

However, as has already been written in our Bulletin, contacting dissociated comrades is a first step toward their organization. If this is not done, if the contact with those comrades is not made regular, they will obviously rejoin the group of dissociated persons.

In that respect, the assessment tells us that some of the contacts made have not been followed up by the organization of the comrades. Hence, the matter must be reconsidered, there must be contact again, this time to "integrate" those comrades "into the party's regular activity " (see Central Committee Resolution on Problems of Organization, dated 14 February 1981).

#### On the Handing Out of Cards

The presence of cards that have not been handed out is due, not only but primarily, to the dissociation of many comrades. Therefore, it may be claimed that many thousands of cards have been handed out to comrades who did not have them yet. But not all the comrades contacted were given their respective cards, and the cards of the party members who are still dissociated still remain to be handed out.

The various organizations must bear in mind that, within a few months, they will be given the new cards for 1982-83. Once again, it befits us to mention that a settlement of the matter of contact with all the comrades would allow for a prompt resolution of the handing out of party cards. The progress that the various organizations make in the area of association with their members during this year of the campaign may be gaged to a certain extent by the rate of handing out of cards.

#### On the Regular Payment of Dues

With regard to the regular payment of dues, an assessment which certainly falls short of the real situation indicates over 180,000 back dues received this year. This is a important number, but one which does not tell everything. On the one hand, we do not know what that number represents in comparison with the total back dues, and it is extremely difficult to determine that total. On the other hand, account is not taken of this year's dues, which could already be in arrears.

However, the collection of funds through dues payment definitely increased during the first 7 months of this year, especially in some of the regional organizations. That increase resulted, on the one hand, from the success in collecting back dues and, on the other, from the increase in the amount of dues.

## On Sales of AVANTE! and O MILITANTE

The dissemination of AVANTE! and O MILITANTE increased and became more regular; but it is important to state in this regard that there is still a long road to cover. It is very beneficial to publicize some of the concrete experiences (in our Bulletin No 72, of last June, we cited one of the very instances of this) which demonstrate the opportunities that exist for greater sales of the organs published by the party, which could be pursued by other organizations. Only by so doing shall we be able, as the Central Committee's Resolution says, "to make a great increase in the circulation of AVANTE! and O MILITANTE."

## On the Structuring

The organizational campaign was also aimed, with a major effort, at greater structuring of the organization.

The general experience that the organizations have today shows that structuring is a far more difficult matter, that it is a fundamental aspect for resolving all the organic weaknesses and that it is a matter closely linked with the knowledge, training, advancement and distribution of cadres.

Asserting its difficulty does not mean that it is impossible, nor does it mean that no progress was made in structuring during the first 7 months of this year.

Primarily, it befits us to underscore the better understanding that exists at present of the need for structuring. It is an essential part of the improved understanding of the importance of the organization. But it is also necessary to note that there has not been merely a theoretical progress; there has been an actual progress. In all the regional organizations, concrete measures have been adopted to create new structures and many new entities on various levels have been formed.

## On the Company Cells

A special concern focused on the companies and the cells existing in them, or those which could be formed in them, could not help but have visible results.

In the large company cells, the reinforcement of their structure was discussed, and nearly all the decisions that were made were implemented.

Although the situation in some organizations is not known, over 100 company cells were created, and over 300 cells which had been inactive started to meet and take action. These figures, which are below the real ones, prove that it is possible to make a definite increase in the number of company cells, with all the cells acting as they should. Those 400 company cells that are mentioned belong for the most part to four regional organizations.

If a way is found to surmount the difficulties that structure in particular poses, it is possible to increase the number of company cells, all of them with regular activity, to a large extent.

## On the Municipal Organizations

This year, over 100 assemblies of highly diversified organizations were held. In view of the particular significance of the municipal organizations, it is fitting to make special reference to the very important role played by the planning and holding of the assemblies of those organizations in mobilizing their members, in reinforcing their structure and also in lending greater dynamics to their activity.

In some regional organizations, assemblies of all their municipal organizations were planned. Some of them have already taken place. Others will be held until the year's end. The follow-up of the plans for those assemblies and the follow-up of the execution of the measures decided upon in the assemblies already held will, in itself, be a major contribution to the strengthening of these organizations in all respects.

But it is obvious that, even without holding the respective assembly, there have been many municipal organizations which improved their work, consolidated their entities, including their Municipal Commissions, and created new entities so as meet their responsibilities in a better manner.

## On the Municipal and Parish Commissions

However, little progress was made in the creation of new Municipal Commissions (only 9 more during the first 7 months). It is very important to undertake the creation of many more Municipal Commissions. As for the creation of Parish Commissions, the situation is better; because over 70, on the average, and hence over 10 per month, were established; but it must be taken into consideration in connection with the parishes that there are many in which the respective party leadership entity has not yet been successfully created, and in which there are conditions for doing so.

## On Work Style

In the organizational campaign, the question of improving work style is among those most debated and among those which contributed most to an understanding of the role of the organization itself. It is only natural that, in the many discussions held either at normal meetings or, particularly, at the dozens of meetings of cadres that have taken place, advantage was taken of their lessons to improve the type of work that each organization and each entity does. But it is also true that the change in work style is generally not sudden; it is slow. In spite of this, and with a realization of this, one can claim that, with regard to many party entities, there is evidence today of a better understanding of their responsibility, a greater determination and initiative and a far more intense collective existence.

It is essential that these changes be extended to many other entities, consolidating them and continuing the progress in improving the operation of all the party's organizations.

## On Cadres

When we talk about cadres, we must be aware that we are dealing with a critical matter, essential in this regard and capable of carrying the entire chain behind it. Therefore, it may be claimed that a great deal of effort is still needed to give this matter the attention that it requires.

But it has not been futile to discuss its importance. In nearly all the organizations there is at present a greater concern over cadres and an attempt is being made to improve their follow-up. At the same time, many meetings of cadres have been held, and the aid to their development has been improved. It is a particularly noteworthy fact that the courses have been reactivated in several of the regional organizations.

#### On Recruitment

Despite the fact that there has been no special recruitment campaign, and although other organizational matters may have absorbed the activity of the comrades in certain organizations to a great extent, the fact is that recruitment has continued at a good pace. Moreover, experience has shown that it is where the greatest progress has been made in the structuring and the contact with all the comrades that the most recruitment takes place. This occurs because the organic weaknesses are actually being eliminated, and hence the organizations are afforded more opportunities to take better action and also to recruit. Where the weaknesses are more difficult to surmount, the organizations direct their attention to those matters and do not recruit.

In addition to the fact that recruitment has reached a total of several thousand, at least in the majority of the regional organizations there is evidence of a greater concern over the orientation of recruitment. However, as has already been noted, it must be considered that what matters in the number of party members is not merely the recruitment figure, but rather the balance that results from the recruitment, the transfers in one direction or another and the withdrawals. In the orientation of recruitment, account must also be taken of the balance in each one of the organizations.

#### On the Work Centers

Good progress has been made with respect to the work centers. During the first 7 months, the opening of new work centers caused an increase in their total of 16, taking into account the fact that two of them went out of existence. This made it possible to attain a total of 500 work centers for the party.

In addition, improvements are being undertaken in many of them, and work is continuing to raise the level of their operation.

#### Continuing and Intensifying the Organizational Campaign

To revive the organizational campaign, it has become necessary for each organization to attempt an accurate assessment of what it has already accomplished and of the progress made in the various directorates established by the Central Committee's Resolution.

It must be ascertained how many dissociated comrades there were at the beginning of the year, how many were contacted and how many have remained dissociated. With regard to the latter, it must be decided how to associate them with the organization and that task must be planned over the next few months.

This is a concrete matter that must be discussed and approved, and that could be written as a conclusion and a decision to be put into practice. Subsequently, its execution must be followed up, and measures must be adopted to afford that execution complete success.

Any organization can do this, and consider not only the relatively simple matter of making contacts, but also the other tasks to which the Central Committee has called particular attention.

Every organization is in a position to make an assessment of what it is doing, to determine what it can do in the forthcoming months and to follow up the execution of that task.

It is on the basis of the assessments made and the decisions taken by the various organizations that a higher entity can also make the overall assessment of what has been accomplished by all the organizations that it supervises and evaluate the tasks that each organization has set for itself. In connection with the latter, it is only natural that the tasks best suited to the party's goals be those most selected. Thus, a Municipal Commission, for example, or a District Commission or Regional Organization Directorate must have a clearcut idea of what has been achieved in the entire organization that it heads, and of what is possible to carry out during future months.

There are Regional Organization Directorates which have already planned their organizational campaign for the final months of this year and the early months of next year. But it is obvious that these plans must take into consideration past experience, the real possibilities and the political conditions themselves that will be experienced during the coming months.

The 1981 organizational campaign must continue, must accrue further success and must contribute to a definite improvement in our organizational activity. Let us again seize upon that major task established by our Central Committee in February of this year.

#### Training and Promotions

Lisbon O MILITANTE in Portuguese Sep 81 pp 11-14

[Article: "Devoting Far More Attention to Cadres"]

[Text] One of the topics that the organizational campaign has helped to explain better is the importance of training the cadres for the development of not only the organization but also of all the activity of the party.

This is nothing new; it is a matter that has always been debated. However, the results of the debates and the implementation of the decisions that have been made always depend on the understanding that we have of the significance of its resolution. If we enhance our understanding of the fundamental role that the cadres play in the strengthening of the party, we are in a better position to put into practice decisions that may have existed for a long time.

## Knowing the Organization, Knowing the Cadres

The attention that we must pay to the training of cadres must begin with a knowledge of them. Any party leadership entity is dutybound to know the organization that it is heading. And knowing the organization is not merely knowing how many comrades there are, and how they are structured. It also means knowing what the organization does, what it is capable of doing, who performs the tasks and how they are performed.

This means that a knowledge of the comrades in general, and a knowledge of those who seem most dedicated, and most desirous and capable of carrying out their party activity, who have a higher awareness of their responsibilities, in particular, is part of the knowledge of the organization.

Naturally, this knowledge must be based on objective data, particularly with respect to the performance of tasks and the manner in which they are carried out.

Thus, it is up to any leadership entity to concern itself largely with checking the performance and, as part of that, with the information that may be gathered on the various comrades. Each leadership entity must form an opinion about the various comrades in the organization that it heads, and must in particular pay increasing heed to those comrades on whom the information is the best, and always of the same sort. The party's cadres will be located in that category.

With respect to this information, it must be borne in mind that, at times, it is faulty because of great subjectivity and also, by the same token, because of great variation; on other words, at a certain point the information collected is good, and within a short time it is bad.

For example, in a certain regional organization it was recently found that many of the comrades who had been cited as most outstanding are no longer being mentioned at present. It is only natural, with the passage of time, that there be changes in the information; but what is not natural is for those changes to be found on a large scale and, at times, involving positions that are completely reversed. The explanation for this must be superficiality and subjectivity in certain reporting, and also a lack of follow-up of the comrades.

In view of the importance of this matter, some leadership entities, including Regional Organization Directorates, are attempting to systematize and confirm the information about the cadres. The making of a list of the most outstanding cadres, their fundamental tasks and the progress of the work that they are doing can help to bring about a greater heed for knowledge of the cadres.

## Helping to Train Cadres

It is only natural that it be in the regular activity of the party's organizations, through participation in party life and the performance of their tasks, that the comrades develop their ideological standing and their political capacity. It may be claimed that this is the fundamental school for training cadres.

Moreover, this development is due largely to the desire of the cadres themselves. When there is a great interest in performing a task, an attempt is made to surmount

the existing difficulties, or to perform it with greater imagination, or by asking for help in doing it. Having a desire for development must be a mark of the cadres.

All of this does not mean that the training of cadres takes place in a spontaneous fashion, depending on them alone. By no means. Every leadership entity must devote great attention to helping to train the cadres. Experience has constantly shown that an entity which does not train cadres is not performing the principle tasks of a true leadership entity, because it is only by training cadres that an organization can develop, so as to expand its activity, bolster its influence, acquire new fronts and become increasingly an active vanguard. An entity which neglects the training of cadres is failing in one of its chief responsibilities.

Therefore, a major lesson to be learned from this organizational campaign is the need to pay far greater attention to the cadres.

The assistance to cadres may assume very different forms, ranging from encouragement and concrete aid in overcoming certain problems to the creation of courses or the use of existing courses.

The development of any cadre demands that the comrade be capable of surmounting at least the main difficulties confronting him. A comrade who is assigned a certain task and who finds that he is incapable of carrying it out can become demoralized. A comrade who, in his activity, encounters only failures, and who has no success to encourage him, may also be unable to develop. This is why it is such an important task for any leadership entity and for each of its members to follow up the progress of the cadres with close attention, so that they may be able to criticize their performance, help them to succeed in their tasks and encourage them in the activity in which they are engaged.

Understandably, the assistance to be given to a cadre is specific in each instance. There are comrades who have particular difficulties in performing certain tasks but who feel more at ease performing others. There are comrades who have already had experience in certain aspects of their work, but no experience in others. Hence, in addition to the follow-up and assistance that must be given at the party's regular meetings, with the backing of good collective endeavor, it is also important, in individual conversations, to take note of some of the difficulties overlooked at the meetings, and to try to help by taking the features of the cadre himself into account. This individualized assistance is at times the only way of keeping in touch with certain problems that are not detected in the party's normal work.

The participation by the cadres in certain expanded meetings and in meetings of cadres planned for the discussion of certain problems, also contributes to their development, chiefly because of the opportunity for a broader perspective on the problems dealt with and the methods for solving them.

The holding of lectures and courses, and the cadres' opportunity to attend them, play a highly important role in their training, inasmuch as they not only stimulate their activity, but also supply them with a theoretical and ideological foundation that will enable them to more clearly understand and improve their activity, while offering them prospects for the necessary subsequent study.

The fact that, this year, many more meetings of cadres have been held, the fact that various regional courses have been put into effect again and the fact that greater care has been taken in filling the slots for the various courses are evidence demonstrating that there has been an increased understanding of the importance of training cadres.

But it must be realized that the training of cadres requires an even greater concern on the part of the leaders of the various organizations, because there is an obvious lag in this aspect of organization and, until we overcome it, we shall be involved in very serious difficulties.

If each entity had a list of the most outstanding cadres, as we noted previously, it could readily indicate thereon their most obvious difficulties and the need for more direct assistance, whether they have already attended any course and other aspects related to their training.

It is pertinent to cite the results of a survey made by a Municipal Commission of the participation in courses by the cadres in its organization.

In the Municipal Commission itself, out of a total of 18 members, only four attended any course, and the other 14 never had that opportunity.

Of the 31 comrades who are members of the Parish Commissions, 10 participated in a course and the other 21 did not. But it is interesting to note that all the members of one of the Parish Commissions are included among those 21.

Of the 16 comrades who are members of the company cell secretariats, none attended any course. The same can be said of seven comrades who are members of two other entities.

In this assessment, which involved 72 cadres who are members of 11 leadership entities, courses were attended by only 14, all of whom are members of only three of those entities.

#### Promoting the Cadres

The promotion of cadres is closely linked with their training. If a cadre who has great difficulties is promoted, it is understandable that either an effort will be made for his rapid development, or that promotion will not have results and, what is worse, the cadre may be lost. If a cadre has been developing, it is essential that this development be accompanied by a greater assignment of responsibility. This will be a means of consolidating and continuing the training of cadres.

It is only by promoting new cadres that we shall be equipped not only to renew the leadership entities from the standpoint of comrades who, owing to the natural course of their lives, or for other reasons, are losing fitness to work, but also to allow for greater expansion of party activity. We constantly discover the need to create intermediate entities for improving the leadership effort of certain sectors, for being able to deal with major areas that had been given up or forgotten, and for addressing the mere expansion of the organization. We must constantly bear in mind the need to decentralize the work of many comrades who are overburdened.

An understanding of the importance of decentralization also affects the understanding of the importance of training cadres. There are many comrades who oppose decentralization, who either consider it impossible or unnecessary. They are often comrades who are not helping to train cadres and who, therefore, cite the difficulties of the comrades whom they know as an obstacle to decentralization, whereas the obstacle lies chiefly in the comrade who does not decentralize.

When a comrade is summoned to a more responsible task, and when a more experienced comrade decentralizes tasks burdening him with less experienced comrades, it is obvious that, at the outset, the work will be less well managed, and there will be more mistakes and difficulties. But this is a necessary and temporary phase when this type of substitution is made. This also occurred when the more experienced comrade, who was inexperienced then, started to perform the task that must now be decentralized.

Hence, such an argument cannot be submitted against decentralization, against greater assignment of responsibility to other comrades, or against the promotion of cadres.

In many organizations, the situation that has cropped up is one of a pressing need to decentralize, and therefore to promote cadres; and it is almost always claimed that there are no cadres sufficiently trained for this, that there are no cadres who can be promoted. There must be a constant follow-up of the training, assigning the comrades greater responsibility, with particular attention to the comrades who are summoned to new tasks.

On the list of cadres that the leadership entities may have, it is also important to note the progress of the cadres' responsibilities.

#### Distribution of Cadres

Understandably, various factors are combined in the distribution of cadres. There must be a careful determination of the existing priorities, the relative value of the various tasks, the availability of cadres and their features.

But it is impossible to distribute cadres that do not exist or have not been trained.

The training of cadres also serves to better ascertain the specific nature of their abilities; that is, which tasks the cadre is best equipped to handle, and, specifically, where his performance could reach a higher level.

Based upon a far greater concern for the cadres, and a persistent effort to become better acquainted with the cadres and to help train them, each leadership entity must attempt to distribute the cadres that are being developed in accordance with the needs of the organization and the features of the comrades.

There are thousands upon thousands of cadres in our large party; but many of them are merely potentialities. Organizational shortcomings and lack of understanding of the role and training of cadres have made it difficult for the party members to be militant in their organizations and to become formed as party cadres. They must be promoted and distributed so as to serve the party's interests in the best possible manner.

Every leadership entity must become involved in these matters. It must make the list of existing cadres, a list that must be updated at all times and, if possible, be extended. It must plan the assistance to the cadres, so as to give an impetus to their development. It must consider the growing need for cadres, and indicate those who are being trained for the various tasks that are emerging. It must, with a broad view and imagination, closely related to the reality that the organization is experiencing, plan for their progress and prepare the group of cadres capable of directing the activity of the party, a party that is growing and becoming stronger, in all its aspects.

As the various organizations acquire a better understanding of the importance of the cadres, as the various organizations devote far greater attention to this matter, we shall not only be solving a highly important problem, but also creating conditions for intensifying the organization's structure, for overcoming the various organic weaknesses that are most prominent, and for clearly reinforcing the organization, influence and activity of our party.

#### Learning From Experience

Lisbon O MILITANTE in Portuguese Sep 81 pp 27-31

[Article: "Implementing the Decisions of the Organizational Campaign"]

[Text] The study, assimilation and application of the Central Committee's decisions on the 1981 Organizational Campaign have been gradually involving the vast majority of our militants. There is an increasing awareness of the follow-up of organizational matters. However, this work has not been easy, because the problems involving organization, leadership and cadres are always complex problems. In order to resolve them, very concrete measures must be adopted, they must be debated periodically and in depth, and their execution must be overseen.

The experience that we now describe related to the organization of a municipality in Alentejo, showing some of the phases involved in the discussion and implementation of the organizational measures approved at the Central Committee meeting. In this municipal organization, which has just made a first assessment of the Organizational Campaign carried out between February and June of this year, the initial situation was as follows: total agreement with the Central Committee's decisions, many discussions of the document in general, but no practical results.

There was a discussion of the importance of raising the dues, but no measures were adopted; the need for making a substantial increase in the dissemination of the party's press (AVANTE! and O MILITANTE) was observed, but no progress was made; the problem of the party's expansion was debated, but they waited for some more daring sympathizer to enroll; and the same situation was repeated in connection with all the other matters. Today, we shall comment exclusively on the question of contacts with all the organization's militants, and problems related to the special campaign for funds and press dissemination, leaving for another occasion the area relating to the structuring of the entities and recruitment, wherein major steps have also been taken.

To initiate the Organizational Campaign, we began by making a study of the municipality, and an assessment of the party's entrenchment, its activity and its influence: the number of registered militants, election results, number of voters, amount of dues, number of AVANTE! and O MILITANTE sold, work site of our militants, companies, number of workers, etc. On the basis of this, we devised work goals: goals for recruitment and structuring, a 30 percent increase in the total amount of dues received in 1980, a rise in sales of AVANTE! from 195 to 350 copies, and of O MILITANTE from 10 to 50 copies and the distribution of an additional 500 60th anniversary cards associated with the campaign for funds, representing a sum in excess of 250,000 escudos. In connection with the party's press, we also established a second goal, namely, that of making AVANTE! reach all sections of the municipality, even though in small numbers, from now on.

This was the first step. The next step was to set up a meeting of cadres for the entire municipality, to discuss the proposed goals and the means of attaining them. To prepare for this first meeting, plenary sessions were held in all the organizations to elect delegates and establish the partial goals that each of them would propose to achieve. When the meeting had been held and the work plan approved, there was then posed the problem of implementing the conclusions. For this purpose, we used a "method" which proved highly effective for holding the campaign and, at the same time, for studying its progress. This method was a small question sheet to be filled out by all the members, which we call the "contact sheet."

The "contact sheet" asked for the name, occupation, work place and residence, how much of an increase in dues was desired, which month it should start, whether or not the person wanted to receive AVANTE! and O MILITANTE, and where it should be delivered to him (place of residence or work, or the work center bank), what contribution he wished to make to the campaign for funds (through the 60th anniversary card) and which was the best day and time for participating in party meetings.

To organize the filling out of the "sheet," plenary meetings of the municipality's entities were held to explain its use. It was not to be sent to the militant in an administrative manner, but with a discussion of each of the goals being sought. The sheet was not to be sent home to be filled out, because that would only serve to delay it, allow it to be forgotten and duplicate effort. The comrades present at the plenary meetings filled out the respective sheet at the meeting itself. Those who did not show up would be contacted individually by the heads of the entities, or by brigades of comrades set up for that purpose, where there was no one in charge. In the dissemination of the press and the delivery of 60th anniversary cards, the comrades were not to limit themselves to party members, but were also to include the many friends and sympathizers, among whom we might find new militants.

After the sheet had been filled out, it was hand-carried to the comrade in charge of the entity, to make the check relating to the militants to be contacted for whom he was responsible, and also to verify the registration record and to update the information, when pertinent. From this comrade the sheet went to the person in charge of funds, to record the change in the amount of dues and the transmittal of 60th anniversary cards, the collection of which was done by the comrades with the dues. The sheet then went to the head of press dissemination, who was required to ascertain whether a new reader was involved, to learn how many more copies were

needed for each entity and, therefore, to update the order on the central level. Each official initialed the sheet after having copied the information pertaining to him, so as to allow for a check by the Municipal Commission.

In June, another meeting of cadres was held to assess the work accomplished and also to discuss the conclusions from the Central Committee meeting which took place on 25 and 26 May. The results accrued with respect to the goals approved at the previous meeting encouraged the organization, and prompted us to pursue this effort, attempting to make the organizational issues continue to be a constant concern.

Over half of the militants of the municipal organization have already been contacted. As for the increase in dues, the goal was exceeded, because the militants already contacted gave assurance, themselves, of an increase of over 3,000 escudos per month. The copies of AVANTE! sold increased from 195 to 270 (in other words, 35 percent more); those of O MILITANTE rose from 10 to 81. Cards for the campaign for funds were distributed, in the amount of 112,250 escudos. AVANTE! is now being sold in the two most important locations of the five to which our press had not yet arrived.

In this short period of time between February and June, major success was attained, not only in the areas that we have just mentioned, but also in the formation of new entities in the companies and parishes, as well as in recruitment. The party's organization is holding sessions for clarification, distribution of thousands of documents on various issues of interest to all the workers, and also meetings to analyze and seek solutions to the problems that most affect the population of our municipality.

During this period, the municipal organization promoted, or made its contribution to the celebrations of 6 March (anniversary of the PCP), 8 March (International Women's Day), 2 April (anniversary of the Constitution), 25 April (Liberty Day), 28 April (assassination of the miners Adangio, a party member, and Madeira), 1 May (World Workers Day), 19 May (assassination of Comrade Catarina Eufemia), 23 May (Day of the Missing), 24 May (Day of Struggle of the Retired), 1 June (World Day of the Child) and other events, such as the meeting of the members of APU [United People's Alliance] in the municipality, regional meeting of APU and Fifth Conference on Agrarian Reform.

The delegates who participated in this meeting of cadres in June considered the success that had been gained highly constructive, but gave a reminder that this success should not conceal the difficulties and shortcomings which exist, and which have also been disclosed during this campaign.

We still have many comrades remaining to be contacted and to have their status regularized; there are comrades, including some members of cell secretariats, parish commissions and even the Municipal Commission, who often miss meetings without any justification, something that is detrimental to all of the party's work.

One still notes a great lack of understanding on the part of certain comrades regarding the problems of funds, which leads to lags in the payment of dues and to a resistance to an increase in the amount thereof. There are even comrades who have reacted negatively to the contact, also because of lack of understanding, and who often forget that paying dues is one of the requirements for being a militant in our party.

There are lags in the recruitment of new militants in some areas, in comparison with the goals which have been set and the objective conditions which exist; because the battles waged by the workers and the population have revealed combative cadres, individuals who should enter our party's ranks.

We continue to note some lack of understanding among the party's cells and entities regarding the analysis of the problems which affect the people in our municipality; and some comrades even do not think that one issue or another should be discussed, merely because it relates to the unified movement.

However, the delegates to the June meeting concluded that it is possible to improve, and essential to continue the organizational campaign, and to strive to attain the goals proposed and attempt to exceed them to the maximum extent, considering the potential that exists in our municipality. With regular participation in the meetings, and with a study of the issues and greater dedication, the party's members will find the suitable solutions to the problems relating to organization and political struggle. And with the reinforcement of our party, we shall be better equipped to defend the Portugal of April.

#### A Municipality Experience in the Organization of Work in the Local Governments

One of the aspects which has long been a concern of the party's municipal organization has been the work among the party members who are elected to the various local government organs: the Municipal Chamber, Municipal Assembly, Municipal Council and Parish Boards, and the respective Parish Assemblies in which APU has a large majority

Perhaps because the majority of those elected are Communists, the organization work was neglected among these comrades, with the often mistaken view that, "We have the majority in the local government organs; we can relax." And, but for a few exceptions, the majority of these comrades have not been affiliated with any party entity, something which, in their opinion, would be detrimental to their work. These comrades claim, with reason, that their activity in the local government is a new experience for which many of them were not prepared, and complain of the lack of assistance from the party's local organization.

Having made an analysis of this major work front, and heeding the criticism from these comrades, the Municipal Commission decided to assign a comrade to this work front.

Four months ago, the discussion in the Municipal Commission and its executive organs (executive body and secretariat) began on the method for organizing those from the party who are elected to the local government organs, without creating entities parallel to the leadership entities. They called for the formation of intermediate entities to follow up those elected, and to guide their work in support of the local leadership organs (Municipal Commission and Parish Commissions).

It was established from the outset that the problems of the local governments, as well as those involving the activity of those elected, would be discussed regularly at the meetings of the Municipal Commission; something which had hardly occurred up until then, because most of our comrades were not actually convinced that they should discuss the problems associated with this work front.

When approval had been given for the formation of an entity for the work in the local governments on the municipal level, a meeting was held with comrades from all the local government organs, at which there was a collective discussion of the best way to eliminate the "inertia" that had existed up until that time.

It was decided to hold separate meetings with our comrades who have been elected to each of the local government organs, and, based on those meetings, to elect one or two comrades from each one of them to join the municipal entity of the local governments.

Then meetings began to take place with the comrades from the Municipal Assembly, the Municipal Chamber and the Municipal Council, as well as with the comrades from the Parish Boards and Assemblies in existence.

There was enthusiasm among our comrades, who declared: "Now, indeed, we can have party meetings and form groups of those from the party elected to the various local government organs, at which we shall collectively discuss our problems and more readily help to solve the problems of the population."

After the first meetings with all the comrades, it was decided that the comrades elected to each local government organ would form a group, meeting regularly once a month on a set day. Every group elected a small secretariat to resolve the current every-day problems; and, from each secretariat, one or two comrades would go to the municipal entity, comprised of the heads of all the municipality's groups, which also meets once a month, at which time all the problems of local government activity are discussed, and proposals are made to be analyzed and approved by the leadership entity in the municipality, the Municipal Commission.

We can state that, despite the difficulties which still exist, the work of the various local government organs has improved greatly, and that everyone has benefited greatly from the exchange of views, mistakes and successes, with evidence of a more regular participation by everyone in the local government activity.

Also discussed was the need for the comrades to have actual tasks. Thus, each group prepared for the meetings of the corresponding local government organ. In addition, various initiatives were carried out, prominent among which was the planning and holding of a municipal meeting of those from APU who had been elected. The population of the municipality and its organizations took part in the planning of this meeting. The meeting was attended by over 100 comrades, serving as delegates, and all the problems of the municipality were discussed, as was the government's disastrous policy with regard to the local government.

An incentive was also given for meetings of the local government organs with the population, specifically with its rank and file popular organizations (residents' commissions, basic health commissions, intercommissions, trade unions), to discuss the plans of action and the priorities to be established, owing to the cuts made by the government in local finances. These meetings have dynamized those various structures, which are convinced that they should participate in solving the problems. And on the basis of these meetings some residents' commissions have even been formed where they did not exist.

Another initiative accepted with pleasure and being implemented in the rural parishes is the awarding of high-ranking positions to the members of the boards and the formation of working groups in the assemblies to deal with concrete issues: housing, infrastructure, culture, recreation, the aged, etc.

Discussions have also begun among some groups and in the municipal entity of the criteria for making lists for the next elections, as well as for collecting information that may prove necessary in preparing for the next election campaign. An attempt has also been made to involve the alternate comrades on the lists in the work of the local government front.

Moreover, it has been noted that the comrades on the Municipal Commission and other entities are being increasingly convinced that they should participate in the discussion of the problems of local government activity; because the latter are being raised at nearly all the meetings in the form of motions or decisions to be made by the leadership entities.

Also included among our goals is the association of the various groups of comrades elected to Parish Boards and Assemblies with the Parish Commissions, so that these entities will be comprised of comrades in charge of each group, in each parish, thereby reinforcing the work of the Parish Commissions.

Another major activity being carried out by the groups and the municipal entity is the campaign to expose the anticonstitutional policy of the "AD" [Democratic Alliance]/Balsemao government, with regard to the robbing of the local governments through the failure to implement the Law on Local Finances in its entirety. That campaign has been reflected in various ways: passage of motions by the local government organs, convocation of a gathering to repudiate the government's policy (a gathering in which thousands of workers participated).

There must be a continuance of the efforts to implement the decision of our party's Central Committee that, during the year of the 60th anniversary, we are to restructure the organization and make contact with all the party's members, thereby gaining and training new cadres; because it is only with a strong PCP and with organized Communists that we can, among other goals, uphold "a local government in the service of the population and of the Portugal of April."

#### The Party's Work Experience in an Agricultural Municipality

Last year, the party's great influence in the municipality was reflected in an increase in the organization of nearly a third.

This rise in the number of party members was not, however, followed up immediately; which is understandable, owing to a proportionate increase in cadres necessary for the pertinent structuring.

The difficulties created by the party's growth, if not followed up rapidly by a parallel increase in the number of cadres, led, on the one hand, to the failure of a large portion of the organization to meet regularly and, on the other, as a result of the aforementioned situation, to an accumulation of cards to be handed out, to back dues, and even to a decline in sales of the party's press, whereupon enormous surpluses were noted.

Dealing with the situation and taking advantage of the dynamism of this year's restructuring campaign, the work was begun to overcome the organizational weaknesses and to improve the structure.

After some time had elapsed, the first results began to appear.

A considerable portion of the organization has already been contacted, many cards have been handed out, and many of the back dues have been collected.

In the contacts with the comrades, a "contact record" has been filled out which will make it possible, in the first place, to correct information (because of changes in work sites, changes in occupation or changes in residence). Secondly, over half of the comrades contacted increased their dues, an effort that resulted in an overall increase in the receipt of dues estimated at about 30 percent. Thirdly, since each militant has been asked whether he wants to receive the party's press, its delivery is being improved, its sales are being increased and many surpluses are being avoided. Finally, an attempt has been made to learn from each comrade when the meeting of his entity would be most convenient for him; something that affords an opportunity for his regular participation.

Concurrently with this effort, the recruitment has been continued, and it has been found that a fifth of the new comrades are under 20 years of age.

Moreover, this effort has made possible at present a more thorough understanding of the organization, and the exercise of a monthly check on the movement of party members.

However, there are still many comrades yet to be contacted, there are still cards to be handed out, and back dues to be collected; the party's press has not yet attained the desirable figures; and the monthly check still has flaws, because there are comrades who leave the municipality and on whom we do not have the necessary information to carry out their transfer.

The solution of these problems entails another effort, namely, the structuring, which, although it has been more sluggish and difficult, has also progressed.

Several entities have started to meet regularly. Comrades have been summoned to some of those meetings.

Noteworthy is the Municipal Commission which, as the most responsible entity, had to be made capable of addressing the principal tasks established in the municipality.

New comrades were summoned to this entity, with a consideration of the existing cadres, the social and age composition and the participation of women.

There was success in reinforcing the percentage of workers in the entity as well, and considerable progress was made in the participation of women, which increased to the point where they account for 38 percent of the entity's members.

Tasks were distributed to the comrades who were summoned, as well as some who were already on the Municipal Commission, but who did not actually have any tasks. A

small executive body was set up to deal with the most pressing tasks. This effort progressed in the same direction among some of the parish commissions.

Furthermore, the discussion of topics at the meetings has become more participatory.

With regard to the cells, major difficulties have been encountered, but some have already met and the largest one elected its secretariat.

The comrades in one of the parishes in the municipality set up a residence and opened it for the party's work (they had a work center available), with the assurance that this too is an important step toward the reinforcement of the organization.

Some weaknesses still persist. It has been particularly difficult to have many of the cells meet, as well as to lend new life to some of the parish commissions.

But the campaign for restructuring of the organization now under way is not an endeavor that has as its goal the end of the year, after which we could claim that "we finished the campaign." On the contrary, it is an endeavor begun this year, the goal of which is to increasingly reinforce our organization and, therefore, that endeavor must be continued permanently in the future.

#### More Attention to the Difficult Municipalities

Based on a brief account of the assessment of the party's work during 1980, in a municipality located in a difficult region, this short article was written, including experience of interest elsewhere.

At the beginning of 1980, the party's organization in this municipality had 54 registered comrades. By the end of the year, that number had risen to 94.

The fundamental reason explaining this increase, which is not very big in absolute figures, but noteworthy in percentage (+74 percent), lies in an improved follow-up of the comrades. The experience gained here could certainly be applied in many other municipalities in which our entrenchment is still very slight.

During 1980, greater regularity was achieved in holding the party's meetings. It should be noted that, at one of those meetings, nine comrades were registered. As was estimated, with the passage of months, dozens more of new members were gained for the party.

The electoral campaign for the legislative elections required a closer organizational association, and made it possible to afford prospects for growth in various parishes of the municipality in which we had no organization; but also for the headquarters of the municipality itself and for the parish in which our organization has more strength (over 50 percent of the comrades).

These steps taken in 1980 must be accompanied by others to be implemented shortly. In the first place, there is a pressing need for an actual formation of the Municipal Commission, with a good determination and division of tasks. Secondly, progress must be made toward the creation of a Parish Commission exactly where our organizational influence is greatest. Thirdly, more regular associations must be established with the comrades in the other parishes. Fourthly, it would be highly significant

to open a work center in the municipality, or at least a simple room making it possible to hold meetings under better conditions.

If this is carried forward, we shall be in a position to progress in this municipality, so as to increase our influence and our action on behalf of the interests of the workers and of the population as a whole.

2909

CSO: 3101/4

## ADELSOHN APPOINTMENT SIGNALS NEW GENERATION OF MODERATES

Stockholm DAGENS NYHETER in Swedish 22 Sep 81 p 6

[Article by Magdalena Ribbing]

[Text] Ulf Adelsohn, who is going to be elected as new Conservative Party leader in October, energetically kept out of public view when Gosta Bohman's resignation was being confirmed on Monday. The TIDNINGARNAS TELEGRAMBYRA transmitted a message from Ulf Adelsohn that he did not want to make a statement. He thereupon flew off to Gothenburg to watch the ice hockey game sponsored by DAGENS NYHETER.

Ulf Adelsohn will turn 40 just in time for the Conservative Party meeting, and that is a suitable age for a party leader. He is a lawyer, like Gosta Bohman, and he has his career in municipal politics behind him. He entered Stockholm's Municipal Council in 1966. Ulf Adelsohn was minister of communications in the second Falldin cabinet (in 1979) and left that post to go bicycle riding when the government collapsed in May of this year.

Like Gosta Bohman, Ulf Adelsohn is given to making fast verbal attacks. That is one reason why he would not allow himself to be interviewed on Monday, when the Conservative Party's election committee was making its unanimous nomination for the new party leadership at the party's offices in the Old Town, under the stout angels in the ceiling painting in Schonfeldt's magnificent salon.

Lars Ahlmark, chairman of the election committee and member of Parliament, said: "Ulf Adelsohn is willing to be a candidate."

It was a unanimous nomination--no other candidates had been discussed after the "inventory" of the party's lists that always takes place when a new chairman is to be picked.

Lars Ahlmark said: "Ulf Adelsohn's record in national and local politics proves that he is competent and has a strong ability to win people over and create good contacts."

The election committee also said that it was a matter of bringing a new generation into the Conservative Party and that Ulf Adelsohn can provide the party with possibilities for outward-looking moves. It admitted that it had tried to persuade Gosta Bohman to stay on for a while, but that it had given up in view of his reasons for wanting to resign. The election committee considered that decision in August and decided to respect the very weighty views presented by Gosta Bohman himself.

Ulf Adelsohn's name will be the only one submitted to the meeting by the election committee.

Lars Ahlmark says: "We believe that Ulf Adelsohn will be completely unopposed at the meeting."

Other members of the party's governing body who may be proposed are Lars Tobisson, currently party secretary but scheduled to become first deputy chairman, and Ella Tengbom-Velander, who is a municipal commissioner in Helsingborg and wants to continue in local politics even if she is elected to Parliament in the next election, as she hopes to be.

Ella Tengbom-Velander is the woman in the party's top leadership who has long been a favorite, especially in the Conservative Party's National Federation of Women. Former Minister of Education Britt Mogard or First Deputy Speaker Ingegard Troedsson were the two names that were dropped. Of those two, Britt Mogard was not admitted to the party leadership, but Ingegard Troedsson will be reelected to the Party Board if the election committee's proposal is accepted.

11798

CSO: 3109/3

**ULF ADELSON, NEW CONSERVATIVE CHIEF, DISLIKED BY MANY**

Stockholm DAGENS NYHETER in Swedish 22 Sep 81 p 6

[Commentary by Sven Svensson]

[Text] Gosta Bohman's voluntary resignation as party leader of the Conservative Party is one of the most important political events in a long time. It is going to intensify the fight for nonsocialist votes, because Ulf Adelsohn is a rather unknown quantity as a party leader in national politics.

Many of the Conservative Party's gains were won thanks to Bohman himself. In 10 years he transformed his party from the smallest to the largest nonsocialist party. Its voting strength doubled, and the Conservative Party became government material.

But Bohman cannot take all the credit. Forces in the background did the spadework for Bohman, while Bohman was the successful salesman.

The so-called Bildt Gang (men under 30 years of age) designed a strategy for their leader early in the 1970's. It was hoped that that strategy would put the Conservatives in the government sometime in the early 1980's.

But the winds from the right blew faster and harder than the Bildt Gang expected. As early as 1976, the Conservative Party, loved to excess, was able to climb into its first three-party coalition government. Owner democracy and the new individualism turned out to have surprising growing power, even in Social Democratic ranks.

Bohman banished the rightwing specter to the sepulchre, and the Conservatives became a party fully suited to govern. Bohman combined the selling of his political message with a great deal of spontaneity and outspokenness.

The strange thing is that his many rash statements never hurt him in the same way that they would have hurt Falldin or Palme. On the contrary, they only made him more human and respected by those who did not dissociate themselves from him at the start. Bohman was able to become the symbol of a politician who dared to put his foot down, and therein lies much of his success.

But that picture is still only a small part of the truth.

Bohman was able to live in something resembling a protected workplace for politicians.

Bohman promised to cut inflation in half, but inflation doubled several times over, and Bohman still retained his credibility.

Bohman promised to reduce taxes, but taxes climbed steadily, and Bohman still retained his credibility.

Bohman opposes socialization, but there has never been as much socialization as during Bohman's time in the government. Bohman still retained his credibility.

And during Bohman's time in the government, the budget deficit rose steadily, as did the deficit in Sweden's foreign trade, but Bohman still retained his credibility.

The explanation has to do with Bohman's outspokenness, but also with his age. Age demands due respect. Besides, Bohman gets so angry that it pays to be cautious. On the issue of taxes alone, Falldin gave as good as he got, and that was enough to break up the government.

Another important reason is that Bohman grabbed every opportunity to appear in the mass media, and he did so brilliantly. And when a reporter got cheeky, that reporter immediately got a dressing down.

Ulf Adelsohn is surrounded by the same Bildt Gang in politics as Bohman, plus a few more in government service. The truth is that the Bildt Gang has marketed Adelsohn in Conservative circles so successfully that perhaps no opposing candidate will even be presented in Falun.

But no one can say that Adelsohn, with or without a grass skirt, is unchallenged in the Conservative Party. There are large groups of Conservatives who feel that he does not meet the requirements for a Conservative leader with authority and power. So we will see how it goes and how Adelsohn will maneuver to get rid of his opponents in the Conservative organization. The organization comprises more than just the successful Bildt Gang, which is indisputably on top at the moment.

Ulf Adelsohn is taking charge of a fast-moving party, but there is a lot of air in the SIFO [Swedish Institute for Public Opinion Polls] figures that give the Conservative Party over 26 percent of all voter support. A gradual leveling-out among the three nonsocialist parties is inevitable, and from 22 to 23 percent is a more realistic figure for the Conservatives within a few months.

A political change in the 1980's is in the wind.

The 1970's were characterized in part by a game of ping-pong between the Social Democrats and the Conservatives in the efforts both were making to take votes away from the Center and Liberal parties.

Ulf Adelsohn will not be able to work in the same protected workplace as Gosta Bohman. Not even as far as the Social Democrats are concerned, because Olof Palme is now having to fight for his political life.

## PAPER WEIGHS CHANCES FOR ADELSON'S SUCCESS FOR PARTY

Stockholm DAGENS NYHETER in Swedish 22 Sep 81 p 2

[Editorial by Svante Nycander]

[Text] Gosta Bohman was elected to Parliament in 1958 and could have become party leader after Jarl Hjalmarson or Gunnar Heckscher if he had not been one of the so-called "dark blues." During the 1960's, the party strove to more or less obliterate its conservative image, and many people saw the party's future as being an absorption into a nonsocialist coalition party along the lines of the Citizens Coalition Party. In 1969 the party changed its name to the Moderate Coalition Party. During the 1970 election for party leader, many Conservatives were afraid that with Bohman as its leader, the party was in danger of becoming even more isolated than during the 1960's.

When he ran against Yngve Holmberg for the job, Bohman's ambition was, in his own words, to make a nonsocialist three-party alternative credible, to increase the Conservative Party's share of the vote, and to make the party into government material. But he would not have been able to achieve that purely partisan goal if his ambition had stopped there. He convinced the voters that he was struggling for a policy, not primarily for a party, and it is thanks to his ability to do so that he is now resigning with a reputation as the country's only truly successful politician. His greatest contribution to the Conservative Party was not that he made it into government material, but that he helped to change political thinking in this country.

Bohman said at Monday's press conference that in the early 1970's, he himself, and not Gunnar Helen, should have been given the honorary title of "nonsocialist cooperation engineer." He said that the reporters have no idea how much he has done behind the scenes on behalf of nonsocialist cooperation.

No one denies his energy, and efforts to achieve nonsocialist cooperation are a matter of course for any Conservative Party leader. But that is where he failed. As he resigns his post as party leader, the three-party alternative lacks all credibility, and most voters probably feel at present that none of the nonsocialist parties is entirely suitable to govern. Even if the nonsocialists were to win the next election, the Conservative Party's prospects for being part of the government are uncertain, to say the least.

An important reason for the failure of the three-party alternative was that Bohman could scarcely grasp the principle of how forces operate in the political center field, and neither was he able to accept the need of the Center and Liberal parties

to be independent. A remark at yesterday's press conference throws light on his way of thinking. As he has done many times before, he claimed that the prime minister in a coalition government should come from the largest participating party--this for reasons of democratic propriety. He pointed out that the constitution gives a tremendous amount of power to the prime minister and that the three-party coalition would not have fallen last spring if a Conservative had been prime minister.

In other words, if Bohman had been prime minister, he would have had constitutional backing in prohibiting the Center and Liberal parties from reaching an agreement with the Social Democrats on the tax issue. Such an idea reveals that he has poorly understood the essential political motives behind that tax arrangement. The problem with nonsocialist cooperation--as he sees the matter--is that the two parties in the center refuse to see that the Conservative policy is the correct one and to subordinate themselves to the obvious leadership of the Conservative Party as the largest party. When Bohman made an effort to meet the center halfway, that outlook was a definite starting point. The result was that the three-party government's existence was threatened from the very start.

After scarcely 2 years in national politics, Ulf Adelsohn has found it surprisingly easy to eliminate his competitors for the party leadership. He won overwhelming support in a minipoll and has now been nominated by a unanimous election committee. The party's entire governing body is being replaced. Lars Tobisson will become first deputy chairman, and a new party secretary will be chosen.

There is seldom a struggle when a new party leader is being chosen in Sweden. People quickly rally around the one they expect to see elected. That can turn out badly, as is well known. The role of party leader is unique, and no one can be seriously tested for the job through some other post. Adelsohn has a lot going for him, but one wonders whether the election has not become too much of a popularity contest at the expense of objective scrutiny. For the first time in Sweden, a big party is electing a leader who has no experience with parliamentary work and who has given scarcely any evidence of wide-ranging ability in general politics. Were the other possible names--Burenstam Linder, Kronmark, Troedsson, and so on--not cast aside a little too hastily?

In Adelsohn's favor, it would seem that he is the one who can most easily cooperate with the Center and Liberal parties. If so, that would indicate an understanding on the party's part of which main problem Gosta Bohman is leaving unsolved for his successor. Will Adelsohn succeed better than Bohman?

That probably depends mainly on how well he can hold his own in internal deliberations. The Conservative Party has become not only a big party but also a self-confident one on which Bohman has placed his ideological stamp, meaning that it is inclined to see political reality in terms of black and white. Getting such a party to make big concessions requires a level of authority that a newly elected leader does not receive on a platter.

11798

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## POLL INDICATES POLAND PROBLEM MAY HURT VPK SUPPORT

Stockholm SVENSKA DAGBLADET in Swedish 13 Sep 81 p 6

[Article by Claes-Goran Kjellander]

[Text] The voters have taken a vacation from party politics. The first voter barometer for the fall has now been published by SIFO [Swedish Institute for Public Opinion Polls] and SVENSKA DAGBLADET, and it turns out that all the figures are close to those for June and well within the margin of error.

The Social Democrats [SAP] have 49.5 percent (-0.5 percent), the Conservative Party [MSP] has 26.5 percent (unchanged), the Center Party 11.0 percent (+0.5 percent), the Liberal Party [FP] 6.0 percent (unchanged), the Left-Party Communists [VPK] 4.0 percent (-1.5 percent), and other parties 3.0 percent (+1.5 percent).

The number of qualified voters who have no party or decline to state their party remains unchanged and high at 7 percent.

The situation between the blocs is as follows: 53.5 percent for the SAP-VPK (a drop of 2 percent) and 43.5 percent for the nonsocialist bloc, which has gained 0.5 percent.

The SVENSKA DAGBLADET-SIFO poll was conducted between 19 August and 1 September and included 1,011 persons. As always, the answers were returned in the form of sealed ballots.

## Confirmation

The poll also confirms--in general--the trend levels established by the parties last spring. The trend level describes the development of public support for the parties over a 9-month period, and on 1 June it was as follows: SAP: 50.4 percent; MSP: 26.1 percent; Center Party: 10.7 percent; FP: 6.1 percent; and VPK: 4.9 percent.

The Social Democrats and the Conservative Party are therefore confirming their already strong positions, while the Center and Liberal parties have not been able to turn their weakening trends around.

Neither were there any particularly dramatic political events during the summer, if we except the Liberal Party leader's attack on the special interest organizations in Almedalen, where the Garment Industry Congress was underway at the start of SIFO's

polling period, but when Ullsten made his violent attack on Olof Palme, almost all the interviews had been completed.

|          | SIFO<br>Aug<br>1978 | Election<br>Sept<br>1979 | SIFO<br>Aug<br>1980 | SIFO<br>Jan<br>1981 | SIFO<br>Mar<br>1981 | SIFO<br>May<br>1981 | SIFO<br>June<br>1981 | SIFO<br>Aug<br>1981 |
|----------|---------------------|--------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| SAP      | 48.5                | 43.2                     | 48.0                | 50.5                | 50.0                | 51.5                | 50.0                 | 49.5                |
| MSP      | 16.5                | 20.3                     | 24.0                | 22.5                | 22.5                | 25.5                | 26.5                 | 26.5                |
| Center   | 17.5                | 18.1                     | 13.0                | 12.0                | 12.5                | 10.5                | 10.5                 | 11.0                |
| FP       | 10.5                | 10.6                     | 8.0                 | 7.0                 | 8.0                 | 6.0                 | 6.0                  | 6.0                 |
| VPK      | 4.0                 | 5.6                      | 6.0                 | 6.0                 | 5.5                 | 4.5                 | 5.5                  | 4.0                 |
| Other    | 3.0                 | 2.2                      | 1.0                 | 2.0                 | 1.5                 | 2.0                 | 1.5                  | 3.0                 |
| No party | 3.5                 | -                        | 6.0                 | 7.0                 | 6.5                 | 7.0                 | 7.0                  | 7.0                 |

Shown are some voter barometers from recent years. For comparison, the 1979 election results are included. But note that SIFO polls party preferences in the 18-70 age group and not the outcome of any particular election.

The VPK is again at the 4-percent level--that is, the lowest percentage a party can have and still be elected to Parliament.

Disregarding the content of its political platform, there are two other factors that may have contributed to that low level. One is the fact that throughout the election period, the party has been a middleman in Parliament. The VPK has not been able to influence parliamentary decisions on its own, and the party's viewpoints have therefore had little news value.

The VPK will have to live with that situation until June 1982, after which the party will have a couple of months in which to reach its marginal voters before the election.

#### Poland a Problem

The other factor is the situation in Poland. Leading spokesmen for the VPK express the opinion that Poland will be a bigger problem for the VPK than Czechoslovakia was. The invasion of Czechoslovakia was an event limited in time. But the economic and political crisis in Poland is described in the mass media daily, and no matter how events develop, it will still be in the news during next year's election campaign.

If the VPK drops below the 4-percent limit, the Social Democratic position will immediately become considerably less secure. Today the SAP-VPK bloc can afford to lose 250,000 sympathizers to the nonsocialist bloc before the situation between the two blocs becomes even. Without VPK support, the SAP can lose "only" 150,000 before the two blocs are even--and that is by no means a safe lead before an election campaign.

In the corresponding period in 1978, the SAP had 48.5 percent and the VPK 4 percent--a total of 52.5 percent of voter support for the two combined--while the actual election figures in 1979 were 43.2 and 5.6 percent respectively, for a total of 48.8 percent.

The nonsocialist parties had a combined total of 44.5 percent in August 1978 and obtained 49.0 percent of the total vote in the election.

Loss of 260,000

Each percentage point represents about 50,000 voters. That means that in 1 year, the SAP has lost about 260,000 sympathizers, while the nonsocialist parties picked up 225,000 during the same period--that is, under the Liberal Party government.

It can also be noted in the current voter barometer that "other parties" got 3 percent, or twice as many as in June. The data provide no basis for attributing the increase to any particular party.

11798

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LO WINDS UP CONGRESS; LABOR NOW IN A 'DEFENSIVE POSITION'

Stockholm DAGENS NYHETER in Swedish 26 Sep 81 p 8

[Article by Bo A. Ericsson]

[Text] The 20th LO [Swedish Federation of Trade Unions] congress is over. True to tradition the 300 delegates stood hand in hand Friday afternoon to sing the "Internationale," and LO chairman Gunnar Nilsson said:

"The movement stands strong and united."

Then everyone went home by car, train and airplane.

Their places in People's House were taken by officials working feverishly to shift the scene for another gigantic congress, that of the Social Democratic Party.

No Cracks

It was an LO congress on track. Stable, united and stormfree, it chewed through 690 motions, a pile of reports, statements, elections and fanfare in the Blue Hall.

Gunnar Nilsson again: "Those who expected to find cracks in the trade union movement have been disappointed."

It was also a congress in a defensive position.

For the main thing was how to save and secure jobs in the threatening insecure 1980's when there is no growing cake left to divide.

That is why the congress demanded a reconstruction of the national economy and an altered distribution of income, assets and influence--mainly via wage-earner funds.

Little of Meidner Left

At the same time the congress confirmed that today's fund proposal differs quite a bit from Rudolf Meidner's original one. Power aspects have become dominant, with the funds becoming instead a way to save jobs. Only the Factory Workers' Union remains on the old barricades, but it was voted down by a landslide.

## **Fund Most Important**

What did a congressional veteran and a newcomer think of the 7 days?

Their impressions were almost identical. Inge Carlsson, powerful Metalworkers chairman from Svenska Shipyards in Goteborg:

"The most important thing was the decision on the fund issue. Now we must try to get the salaried employees with us and arrive at a final proposal that broad groups of people can accept, among other things through individual ownership."

Anita Andersson, sales clerk from Uddevalla, attending the LO congress for the first time:

"The funds were the most important thing. They can save jobs. Now I have to go home and report to the members. It has been interesting--but it has also been a lot of hard work."

And so ended the LO congress.

## **Decisions in Brief**

LO is calling for a separate minister of research and a coordinated national research policy.

A state institute for job environment research should be set up--perhaps by detaching the labor medical division from the Worker Protection Agency and using it as the foundation. The congress was also charged with finding out if resources are available to build up a union economic research institute.

A system of three terms should be tried in elementary school with no certificates in elementary and high school. LO also demanded a halt to government cuts in adult education.

Union representatives should supplement teachers but not take over instruction.

Job site museums at larger job sites, more job libraries and state support of labor theaters and amateur activities were some of the demands made in the report entitled "Basic Union Views."

LO must take the initiative in research, experimental activity and education in the job environment area.

More people need to be involved in separate union cultural activities and each LO union should have a cultural committee.

In addition 100,000 kronor a year should be set aside for scholarships.

Employers should pay for Swedish lessons for immigrants through a collective tax.

The congress also demanded a reduction in processing time for refugees applying for work and residence permits.

The state and local communities should take a firmer grip on leisure-time policy.

LO will query members of the unions about their interest in giving priority to vacation pay or a vacation fund within the limits of available economic resources.

More money for civil defense and economic defense. Less for powder and shot. That was the substance of the defense resolution the LO congress passed Friday.

Better benefits for draftees in basic training. The possibility of shortening the work week for Swedish soldiers will also be studied.

The LO congress also stressed that the Swedish armed forces should be based on universal military service. This gives the people insight into and control over the armed forces along with a chance to influence defense.

The unions must find new readers for the Labor press. Press subsidies must be increased the congress said Friday when the time came to discuss newspaper issues.

Implement the proposal in the state report on unemployment insurance. The study group made its report as early as 1978. So far the report has not led to the presentation of any government bills.

Raise daily stipends in unemployment funds to a more realistic level.

One of the group's most important tasks is to reject the nonsocialist attacks on the social security system, the LO congress said when it dealt with social issues on Friday.

The congress said no to sick pay--that is the state sick pay committee's proposal that employers should pay sick leave wages during the first weeks.

Sick leave insurance should apply to working days--not calendar days. That would make it fairer for part-time workers.

The 5-year plan for 100,000 daycare slots and 50,000 after-school facility slots must be implemented. Expanding child care is the most important family policy issue in the view of the delegates.

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**LO'S CONGRESS PROGRAM WOULD RETREAT FROM MARKET ECONOMY**

Stockholm SVENSKA DAGBLADET in Swedish 24 Sep 81 p 2

[Editorial]

[Text] The business policy report the LO [Swedish Federation of Trade Unions] congress discussed yesterday is a hymn of praise for planned economy. If it were implemented Sweden would take several more steps away from a functioning market economy.

Market economy and planned economy are two extreme points on a scale, extremes that don't exist in reality in their pure forms. Regarded in this light, all countries have mixed economies in a certain sense.

It is where the mixture lies on the scale that determines not only the economic efficiency and the satisfaction of consumer desires, but freedom and democracy as well.

In research and debate, good reasons have been presented for saying that Sweden, due to its politicization of society, has moved too far away from market economy principles. This means we should move in the direction of a market economy but LO and the Social Democrats want to go the opposite way and increase the planned economy element.

This is strange. Recently the Social Democrats--in the grip of the big fund upheaval--have spoken so kindly about the importance of market economy, and have assured us that the wage-earner funds are not in conflict with market economy principles.

In his speech to the congress, party chairman Olof Palme presented himself quite plainly as the champion of a mixed economy.

But in the business policy report to the LO congress it was stated clearly that business life would be subjected to increased state planning, control and co-ordination and that the wage-earner funds are one of the instruments for bringing this about.

One of the means that should be employed according to the report is an increased nationalization of businesses along with preparing concrete development plans for

branches and firms and a fixed system of negotiations between the state and larger businesses. These negotiations would cover such things as investments, export prices, marketing, environmental questions, labor market issues, in short everything the state wishes to actualize. The express intention is to strengthen state and union influence.

This is called "strategic" or "partial" planning. But this would apply only in the 1980's. After that there would be a question of going over to total planning of business life. With satisfaction LO committee leader Clas-Erik Odhner stated that the economic theories underlying Social Democratic governments "undoubtedly in their broader context call into question private ownership rights as the most important and holiest principle of the economic system."

LO vice chairman Stig Malm talked once more about LO's extended hand and repeated--this time without the invective that has characterized his statements on other occasions--his appeal to "sensible forces in the business sector" to cooperate.

The same theme was repeated in Olof Palme's speech.

What would cooperation mean in the view of LO and the Social Democrats?

Well according to the LO business policy report cooperation should aim at implementing the report's proposals on increased nationalization and increased state and union direction of business life. And it says that if business won't cooperate "on the terms we indicated here" LO and the Social Democrats should respond with "a fairly extensive regulation of business life and a sizable expansion of the state industrial sector."

Thus what business life is being offered in these cooperation invitations is a choice between slow strangulation and instant hanging.

LO evidently thinks that threats will force businesses to cooperate via negotiations in establishing wage-earner funds and a continued development in the direction of a planned economy and socialism. Through business cooperation, the idea goes, these efforts might acquire a legitimacy that would make them less politically sensitive and more acceptable to the voters.

Tactical calculations of this type show how far power demands and corporative thinking have developed. Naturally business simply for reasons of propriety cannot cooperate with such manipulations of the political system and such attempts to deceive the voters.

The "outstretched hand" has an unmistakable resemblance to socialism's clenched fist.

## PAPER COMMENTS ON PALME SPEECH TO LO CONGRESS

Stockholm SVENSKA DAGBLADET in Swedish 24 Sep 81 p 2

[Editorial]

[Text] Despite his agitatorial skill, Olof Palme's speech did not ignite the LO [Swedish Federation of Trade Unions] congress. It was as if he wasn't really on the same wavelength as the congressional delegates.

They may have had difficulty following his presentation of the "new right" which according to Palme is characterized by contempt for a mixed economy, an effort to remove social elements from the market economy, a desire to attack "everything we associate with the concept of welfare policy and full employment policy." It is understandable if the participants at the congress had a hard time seeing the connection between the specters so glibly depicted by Palme and the realities in Sweden's political life.

Another reason why Palme's speech didn't really go over at the LO congress might be that he plainly outlined to the delegates what they should decide on the fund issue on Thursday.

Thus Palme asked the congress to decide that the funds should be implemented according to the guidelines in the LO-SAP [Social Democratic Party] report, in other words, collective politically or union controlled funds. The congress was further asked to "give the party considerable freedom of action with regard to the technical wording and the timetable." But distribution of profits would be introduced in connection with 1983 contract negotiations, evidently in the form of some kind of provisional funds.

It is obvious that the Social Democrats have a strong interest in defusing the fund issue before the 1982 parliamentary elections. The abundance of statements about willingness to cooperate and freedom of action, though not when it comes to principles, should be seen against that background.

But it is the basic principles for the construction of the fund system that are the important thing, they determine the future consequences for the market economy and democracy. Palme brushed aside all criticism to this effect as scare tactics propaganda. But by dismissing really fundamental criticism in this simple way,

Palme himself is blocking all opportunities for a meaningful dialogue and thus for cooperation as well.

Palme spoke a lot about what the Social Democrats "want to" accomplish with the wage-earner funds and accused critics of giving a false picture of their "intentions." But it is not determination and intentions that are of primary importance even though many things could be said about them. What is important is how the funds in reality would change society.

Olof Palme acknowledged at the press conference that the wage-earner funds would be an issue in the 1982 election campaign. But he would not say precisely how the funds he would introduce with the support of the election outcome would look. He wanted a blank check on the fund issue.

He should not be given one.

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## PAPER DENOUNCES ULLSTEN'S ADDRESS BEFORE UNITED NATIONS

Stockholm SVENSKA DAGBLADET in Swedish 25 Sep 81 p 2

[Editorial]

[Text] Foreign Minister Ola Ullsten has gone a long way into the big world and its real dangers since he outlined the government's views of world conditions to parliament a half year ago. It was an account in which issues of central importance to our land's security were either ignored altogether or were dealt with quite summarily while the foreign minister dealt in detail with the meaningless slaughter that was then going on and hasn't stopped yet in Central America.

At that time, the foreign minister received an encouraging pat on the back from opposition leader Olof Palme, who called Ullsten's presentation "the best foreign policy declaration presented by the nonsocialist government."

Perhaps the opposition leader is prepared to give more praise to the Liberal Party leader after the speech he made to the UN General Assembly on Thursday.

This time Ullsten took up the big central problems that have led to the increase of insecurity around the world. But, unfortunately, he succumbed once more to the temptation he should have learned to avoid in this situation: he tried once more to place himself so close to Olof Palme in foreign policy reasoning that he risks the rubbing out of his own identity as the man responsible for Swedish foreign policy.

It could not be expressed more unfortunately than Ullsten put it when he commented on the "wave of popular protests" mounting up in some West European lands against nuclear weapons. It is true that the foreign minister pointed out that "not all the slogans are as nonpartisan as they might appear" and that some are "less realistic than others," but then he made a statement that in many quarters will not be interpreted as anything but an abandonment of West European--and thus Swedish--security demands. It is not fitting for a Swedish foreign minister to tell the United Nations that "the fact that freedom of speech is lacking in some lands does not reduce the importance of popular protests in countries where such freedom can be utilized." And it is even less appropriate for the Swedish government to reason on the basis of the principle that "the fact that some are increasingly devoting themselves to planning a future war should not prevent others from planning for peace."

It sounds lovely and ideal but it has little to do with the realities that prevail when the rivalry between two superpowers with widely divergent political systems is the cause of increased global tension. Planning mainly for peace while an arms race is going on around us is the same as leading a potential assailant into temptation.

To interpret the Swedish view of European security policy in this way is the same as to try with domestic policy opportunism to wiggle through an E-flat trumpet, and Ullsten might possibly have expressed himself differently if he had been able to follow the TV discussion this week that could turn the Swedish foreign policy debate for a considerable time into the future.

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## LIBERAL NEWSPAPER: SDP ECONOMIC-CRISIS PROGRAM IS GOOD START

Stockholm DAGENS NYHETER in Swedish 29 Sep 81 p 2

[Editorial by Olof Kleberg: "Future of the Social Democratic Party"]

[Text] When the Social Democratic Party Congress spent most of Monday discussing the highly important document "Sweden's Future" it was obvious that many delegates participated without understanding.

"Sweden's Future" is the theme of the entire congress. The report presents programs for stopping inflation, strengthening industry, restricting the expansion of the public sector and reducing the deficits in the national budget and the balance of trade.

The report also uses harsh language toward the social democrats who are accustomed to regarding inflation as a surmountable evil necessary to sustaining employment. And those who, under leftist influence, learned to be critical of business and the profit motive.

Municipal councilmen such as Margot Wikstrom from Umea, Axel Gisslen from Orebro, Lars Eric Ericsson from Uppsala and Mats Hulth from Stockholm all defended in different ways the need for the municipalities to expand their services. The most extreme was Mats Hulth, who wanted to nearly double the growth which the party and its crisis group laid down as a goal for the municipalities: three and one-half percent annual growth instead of two percent. The government has reduced the growth rate to one percent.

A two percent increase in municipal activities means tax increases, said county councilwoman Leni Bjorklund from Stockholm County, member of the crisis group. The conclusion must be that three and one-half percent growth is a benevolent political ambition, but a devastating economic recommendation.

The debate over "Sweden's Future" was mainly dominated by the deep feeling of social consciousness toward all those who are having a hard time in Sweden's economic crisis, unemployed, laid-off, handicapped, families with many children and others. Many of the representatives work in areas where they meet these problems. They all have a strong tradition of solidarity with those who for different reasons are weak in the society. But everything that is desirable can not be accomplished by great reforms.

Bengt Karlsson, metals representative from Gothenburg asked in a rather agitated way, "How great is the crisis awareness, really? If all the demands from municipalities, counties, womens's groups and others are to be satisfied there will not be much left over to strengthen industry." Bengt Karlsson demanded a political and business review. He emphasized that it is industry which requires investment.

There is a deep division between the many representatives at the congress who are speaking for social needs and the few who speak for economic necessities. The chairman of the crisis group, Ingvar Carlsson, was not particularly strong in his pleas for contraction of services in the public sector for the benefit of investment in industry.

There is a weakness in the crisis group's report which Ingvar Carlsson exposed: the courage to speak clearly about the necessary changes is lacking. The memory of the protests of last spring, when the crisis group asked the active members of the party districts about possible cuts in social programs, is too strong.

One point where concrete demands were made for additions to the crisis program was in employment. Many speakers said that the classic social democratic positions had received too little attention. But the addition of "the right of everyone to work" as one of the party's goals is not contrary to the basic crisis program.

The report of the crisis group has painted a gloomy situation for the Swedish industrial state. It is not a question of occasional dips in the economy, nor of only 5 years of bourgeois mismanagement which the social democrats are so fond of talking about. It is a profound problem in a world where our traditional strength and competence has partly been overtaken by the advances of new industrial countries.

When the crisis group and the leading spokesmen of the Social Democratic Party say that it will take the entire decade of the 80's to work Sweden out of its crisis, they are probably optimistic. But confidence in the future, which has become a cherished watchword in the social democratic vocabulary, is necessary if there is to be better progress for Sweden. It is not enough to have stimulus and control of business. The policies will not work if the people do not believe in them.

The social democrats have now recognized the crisis program. A double grip must be taken on the Swedish economy: we must both save and work ourselves out of the crisis. The program has shortcomings and can be interpreted in different ways. But it gives the party a point of departure for working its way back to governmental power.

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**'ENVIRONMENT PARTY' ORGANIZES, TO OFFER POLITICAL 'ALTERNATIVE'**

Stockholm SVENSKA DAGBLADET in Swedish 20 Sep 81 p 6

[Article by Willy Silberstein]

[Text] Orebro--Just 1 year before the election the Environment Party formally entered the race to gain the favor of the voters. On Saturday the party's meeting opened with 150 delegates from all across the country.

The program followed by the delegates and observers during the 2 days of the meeting was obviously packed, so full that the chairperson of the meeting wanted to ban applause after each speech.

"We can't afford to waste time on handclapping," she said. And touched off a costly round of applause that lasted at least 20 seconds.

An important question that was decided on Saturday involved the party's name. Some 80 suggestions had been turned over to a special name committee that worked on the matter before the meeting.

The question was a sensitive one. Some members had threatened to leave the party if their suggestion failed to win.

The name committee settled on the Environment Party but some delegates didn't like that. The Comprehensive Party, the Future Party and the Public Party for Adults were some of the other proposals.

Claes Lissenko spoke warmly in favor of the Alternative Party, or A for short.

"A is the letter with its head in the clouds and its feet on the ground," he said and intoned, "Aaaaa," to the great amusement of the delegates.

The span of political views among the members is great as Sven Aner of the leadership group of the Environment Party agreed.

"We have members from the Left Party-Communists all the way over to the Conservatives."

These contrasts came out in Saturday afternoon's political discussions.

What do Environment Party people want to accomplish with their involvement? a group of them asked.

#### Gradations

"We want to offer an alternative. We're really tired of politicians corrupted by power," said Rene Losaus who was an active Liberal (which he said was also somewhat corrupted by power).

An important aim is to break the current block politics between the nonsocialist parties and the socialist camp.

Is the Environment Party nonsocialist or socialist?

"It is an alternative party," Bengt-Ake Lonn of Sandviken replied quickly.

Rene Losaus of Skovde would not measure the party's policy on the traditional right-left scale.

"Instead you might say that we have come down to very small gradations on the scale."

Lack of time was a problem for the leadership group which wrote the proposal for the party program. It also received some criticism.

"The labor market policy was compressed into two short paragraphs. If we don't have any more than that to say, we should keep quiet," said Per-Erik Sundgren of Uppsala.

But Per Gahrton who helped start the Environment Party and also assisted in writing the draft for the party program thought the program is a good beginning, even if it will eventually need improvements and supplementation.

An important goal for the Environment Party is to get into parliament. This must happen next year. Otherwise it will have failed, according to Sven Aner.

After the name, the Environment Party, was settled, one delegate went happily up to Gahrton.

"Thanks to the name selected we can certainly get past the 4 percent parliamentary barrier."

The former Liberal Party member of parliament nodded in agreement.

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**PALME AT SOCIALIST CONGRESS URGES SUPPORT FOR 'ZONE'**

Stockholm DAGENS NYHETER in Swedish 28 Sep 81 p 8

[Article by Magdalena Ribbing and Dick Ljungberg]

[Text] Support Idea of Nuclear-Free Nordic Zone

"In my opinion it is clearly in the interests of our nation to have a Nordic nuclear-free zone."

This assertion was made by Social Democratic Party chairman Olof Palme when he spoke at the party congress on Sunday. He called the growing peace movement a positive force.

A great many people turned up at People's House in extremely good time for Sunday morning's deliberations--they had misjudged the return of winter time and arrived an hour ahead of time. But at 0900 hours the small bright red congressional bags of the delegates were lined up on the floor of the hall and the delegates themselves sat on benches to listen to Olof Palme's introductory speech. In the front section were Tage and Aina Erlander, the many foreign guests and former ministers such as Ulla Lindstrom.

Over them all was the slogan "The Future for Sweden" above the Social Democratic red rose, embellished for this occasion with blue and yellow pennants.

Olof Palme formally opened the 28th Social Democratic Party congress.

He quoted the party's first chairman, Hjalmar Branting, who spoke of a new era to come and of the People's House as "the home of free thought."

In his main speech immediately following this, on the subject of peace and security, Olof Palme spoke of the Swedish arms reduction policy and its confident support by the Swedish people. Official statements from government circles should not obstruct this policy of neutrality, he said, referring to Defense Minister Torsten Gustafsson (Center) who said recently that of course Sweden is neutral "but we know where we belong."

"There should be no misunderstandings in the rest of the world about our independence of superpower blocs," said Olof Palme, "or of our determination to be neutral in the event of war. Some of the sailors on the nonsocialist government ship ought to keep that in mind."

Neutralism and popular opinion are not the same as doing Moscow's bidding, which is sometimes suggested, Palme said.

But the Social Democrats do not support unilateral Swedish disarmament.

"Our party has a positive attitude toward Swedish defense. But the weak non-socialist governments have upset our national finances. They must frankly and honestly state that restraint with state spending will also affect defense spending. Any other line would be destructive to defense determination.

"On this basis we should look at the question of a new airplane system, the so-called JAS [expansion unknown]," Palme explained. "In deciding yes or no on the JAS military, economic and industrial policy aspects must be weighed and if the Social Democrats reject the JAS in the end it will be because a better solution has been found, not because we want to reduce arms unilaterally.

"It is becoming increasingly obvious that true security can only be achieved in cooperation with the opponent not in confrontation with him. Walls of hate give no security but building bridges of increased trust between states and peoples in various lands does.

"The peace movement is growing in Europe and sometimes people try to brush it off by saying it is only a playground for unrealistic idealists. That is quite wrong," said Olof Palme. "The peace movement reflects a deep concern about developments, almost a horror deep in the hearts of the participants."

After an extensive explanation of the frightful effects of a nuclear explosion, Olof Palme said that the fantastic arms race we now have does not express a rational policy but on the contrary it leads to less security instead of improving security in any way.

The other big threat to our survival is the mounting poverty which can be halted by a massive transfer of resources from the rich nations. These resources should be taken from the arms race and this would make the world more stable and a better place, said Olof Palme.

"If the Nordic region is established as a nuclear-free zone, it would mean a reduction of the level of tension in our part of the world," said Olof Palme who was sympathetic with the problems Norway and Denmark had in placing themselves behind the establishment of such a zone.

"Naturally it will be a tedious process before such a zone can be established. And we don't know yet what the positive statements made by Soviet President Brezhnev on such a zone will mean in real terms when it comes to Russian commitments. But there is no reason at all to try to shoot down genuine popular opinion

throughout the entire Nordic region by exaggerating the difficulties or by saying such a zone would be in conflict with Swedish neutrality. Let me with some emphasis recommend that Swedish Social Democrats wholeheartedly and unambiguously stand behind the demand for a Nordic nuclear-free zone," said Olof Palme, receiving congressional applause that lasted a whole minute.

And then the party leader turned to his often-used Martin Luther mode:

"If I knew for a fact that the world would come to an end tomorrow I would plant my apple tree anyway."

The delegates voted for the statement of the majority of the party committee on peace and security with the addition that the Soviet Union should be censured for its intervention in the affairs of East European states.

#### A 6-Hour Day Starting in the 1980's

"The problem with the 6-hour day is not its introduction, for we are agreed on that score, but on how it is to be implemented." So said Birgitta Dahl, member of the Social Democratic Party committee when she spoke at the party congress on Sunday. The nonsocialist governments have complicated the prerequisites for a general shortening of the work day, in Birgitta Dahl's opinion.

There is a task force working on the 6-hour working day and work in this group will continue, Birgitta Dahl pointed out.

"It is obvious that this reform will take time," said Birgitta Dahl, "not just because it is expensive but also because it involves such a great change in people's lives and a difficult coordination with other changes in society.

"But the reform of the 6-hour work day has not been scrapped as is sometimes claimed," said Birgitta Dahl. "And the goal of introducing it is not unrealistic and irresponsible."

Lennart Nilsson from Bohus County spoke of work as the only important thing many people have in their lives and of the value of creating meaningful leisure time. The new chairman of the Social Democratic Women's League, Maj-Lis Loow, spoke of a shorter work week in connection with employment.

"Shortening the work week is no way to solve an acute employment crisis but it must be part of the labor movement's strategy to preserve the asset represented by people's will to work," said Maj-Lis Loow.

Anna-Karin Jonsson from Vasterbotten said that the shorter work day already exists in the area of part-time work, a shorter day without full pay. And half of all women work part-time but only 7 percent of the men do.

"Take it easy," said Rinaldo Karlsson, also from the Vasterbotten party district. "Let's implement the 6-hour day when we can afford it."

Birgitta Dahl was glad that everybody agreed with the party committee's views on a 6-hour day. The poor management of the national economy by the nonsocialist governments has weakened the basis for introducing a shorter work day, but the goal is not one the party will turn its back on, said Birgitta Dahl.

The goal is taking a first step toward a general shortening of the work week in the 1980's.

#### Unemployment Wasteful

"No one can conceive how politicians and business leaders who preach the necessity of working harder can propose a policy that means that many people who want to work hard don't get a chance to. Not one step on the destructive path of unemployment, that's the message from the LO [Swedish Federation of Trade Unions] congress."

So said Gunnar Nilsson, speaking to the Social Democratic congress on Sunday.

Employment is the most important topic at the party congress as it was at the LO congress. Today, Monday, the big crisis program will be debated all day long.

The delegates to the LO congress could not understand how we will be better off and produce more by giving fewer people access to jobs, Gunnar Nilsson reported.

"How can industry, state finances or the national budget benefit from having tens of thousands, and perhaps hundreds or thousands, of people turned away and prevented from working productively?" he asked.

"It is not just for the sake of justice that we are fighting for jobs. We are also quite convinced that this is a wise policy, economically speaking. It is not even a sensible saving of state money to say no to the AMS [National Labor Market Board] appropriation request. The rest of you know that it will cost more money through unemployment subsidies.

"If Sweden had Denmark's for those out of work, the amount for unemployment compensation would have risen by about 2 billion kronor to 13 billion--more than the entire AMS budget, as much as the government wants to save with the advertised savings package. And for those costs no productive work will be performed," said Gunnar Nilsson.

"And how does it benefit society that tens of thousands of young people who have never had a chance to work remain unemployed? We know that those who have been kept outside the job market have a harder time for every day that passes to handle a job. And it is also quite a serious thing that all experience shows that if unemployment once comes up to a higher level it is extremely hard to bring it down again."

#### Too Few With Us

Nilsson spoke a lot about the need to activate the various organizations:

"For the truth is that those who have the most reason to make demands--the unemployed, immigrants, women working two jobs, those threatened with termination--are not sufficiently with us. And that is a true statement as shown by all the studies made by the union movement, political parties and the big popular movements.

"To maintain the demand for jobs and solidarity we must pursue the struggle for democratization of society and working life as well as putting great emphasis on strengthening and improving our own organizations, opening them up to more people," Gunnar Nilsson declared.

On Sunday evening the Social Democratic congress rejected without taking a vote a motion calling for a union veto right on new technology and legislation against various types of performance wages.

#### Won Over Committee

Social Democratic peace advocate Majbritt Theorin won over her party committee during the party congress on Sunday when she pushed through her demand for public controls over and inspection of weapons exports. The matter could wait, in the view of the party leadership, but the congress took Majbritt Theorin's line.

"Build up your anger," Majbritt Theorin began her speech at the party congress. "We must act, the war preparations are under way. Say no to the JAS plane," she asked, adding that the mumbled "Well" of the party committee probably meant no, but not today. Then Majbritt Theorin presented her demand for an authority appointed by parliament to make decisions on weapons exports and inform parliament about them.

Parliament has no decision-making rights over weapons exports today, said Majbritt Theorin. The war materiel inspector and in the last resort the government are the ones who decide, but parliament does not even find out who is buying arms from Sweden. And this despite the fact that in principle arms exports are prohibited with certain exceptions.

Weapons exports have risen considerably in recent years and this must be halted, in Majbritt Theorin's view.

"Don't think we will solve all problems by appointing a parliamentary committee," said party committee spokesman Erik Holmquist. "We must have more control and inspection, but no more than that. The question could very well wait until we come into the government again."

But Majbritt Theorin maintained her demand for parliamentary decision-making rights over weapons exports and the congress backed her demand in the voting, with the party committee abstaining. And after a few seconds of astonished silence from the presidium it was suggested that the assembly sing together after the party committee's statements on peace and security were approved.

"Last night I had the strangest dream, I never dreamed before. There were no more soldiers and no rifles," sang the congressional delegates, standing in their rows.

## WAGE-EARNER FUND ISSUE TO PUT SDP AT DISADVANTAGE IN CAMPAIGN

Stockholm DAGENS NYHETER in Swedish 26 Sep 81 p 6

[Commentary by Sven Svensson]

[Text] Election campaigns have gained an increasingly greater role for election outcomes. This was a consistent experience throughout the 1970's and election victories can no longer be assumed in advance. Therefore it is fantastic to use the current opinion polls as a basis for predicting an almost certain Social Democratic victory. All indications are that a few thousand votes here or there will determine the outcome of the 1982 election.

The opinion poll trends all point in the same direction, even though the figures differ. The socialist bloc appears to have a comfortable lead over the non-socialist group.

But that is no basis for making future predictions.

In the first place, some differences in the opinion polls are of strategic political importance. SIFO [Swedish Institute for Public Opinion Polls] gives the Center Party 11 percent support, IMU [Institute for Market Surveys] gives it 14 percent.

SIFO has almost systematically underrepresented Center support among the electorate. Even SIFO's election forecasts 2 days before the election have with the exception of the 1979 survey underestimated the real election results of the Center Party by 1 or 2 percentage points. IMU is probably more correct about the Center Party than SIFO is.

In the second place, it is one thing to switch parties in an opinion poll, quite another to do so in the voting booth. We know from experience that the curves between the political blocs pull together as election day approaches.

Uncertainty makes it impossible to predict the election results today on the basis of current opinion poll figures. The differences between the blocs will surely diminish for each month that passes.

Therefore the figures are interesting primarily as a point of departure for the struggle for government power that will start in earnest after the Social Democrats hold their party congress and the Conservatives shift party leaders at the end of October.

#### **Socialists Uncomfortable in Opposition**

The Social Democrats have been uncomfortable all along in an opposition role, perhaps this is most true of opposition leader Olof Palme who needs the resources of the Chancellery to really come into his own. The 44 years in a ruling position made it very hard for many Social Democrats to adjust mentally to the demanding opposition role.

After the power shift in 1976 the Social Democrats have directed their main efforts toward regaining government power at almost any cost. Forming a long-range viable policy in a new era with new popular opinion trends has been almost secondary. In many cases positions taken on government policies have been abrupt and uncertain.

The voters' faith in the ability of the Social Democrats to guarantee full employment will be the major issue in the 1982 election. That this is Olof Palme's own assessment is obvious from his speech to the LO [Swedish Federation of Trade Unions] congress. Palme then called employment policy the "vital nerve in the Swedish labor movement."

#### **Unemployment Provides an Extra Chance**

During their first years in power, the nonsocialist parties managed to maintain full employment with the help of big state funding for labor market policies and for the many crisis-stricken branches. The budget situation no longer allows such extravagances and unemployment is thus expected to reach record heights this winter.

This provides the Social Democrats an extra chance prior to the 1982 election. When heading the government both before and after World War II the Social Democrats managed to acquire a high level of trust from the voters as the ones responsible for guaranteeing full employment. If there is anything that can put Palme back in his beloved Chancellery it is that a majority of the voters still believe that the Social Democratic Party is the only one that can guarantee employment.

But this is not without its problems. The reason the Social Democrats could at one time maintain full employment while expanding the welfare state had to do with a constantly rising tax burden. The public sector underwent a violent expansion and absorbed labor.

#### **Position of Funds**

Today the situation is entirely different. Ordinary citizens have bumped their heads on the tax ceiling. Even the Social Democrats admit this. In the economic

crisis program presented by the Social Democrats they called for reductions at least in the direct tax burden.

Tax pressures in combination with high inflation have reached such a level that they are harming productive work and productive investment while encouraging unproductive investment and layoffs. It is interesting that the tax agreement involving the Social Democrats, the Center Party and the Liberals for 1983-84 will reduce taxes 10-12,000 kronor a year for ordinary salaried workers living in rented apartments.

Wage-earner funds fall into place in this puzzle. When taxes can no longer be raised further, wage-earner funds will be formed through collecting excess profits from businesses and restricting wage scales.

This is another way to try and create room for an economic expansion leading to increased employment, this time primarily in industry and not in the public sector. And these funds must be collective, for with individual control the risk is great that wage earners will use the money for private consumption.

#### Palme Starting in Inferior Position

It is around the wage-earner funds that the major battles of the 1982 election campaign will be fought, even though the Social Democrats will of course try to shift the debate to a discussion of the mismanagement of Sweden's economy by the nonsocialist parties.

One bloc will claim that wage-earner funds will guarantee full employment, the other that the funds are a threat to full employment.

Olof Palme is starting in a clearly inferior position. There is strong popular skepticism regarding the wage-earner funds and this will be hard to overcome. This skepticism is rooted not only in middle-class thinking and individualism but also in the powerlessness many people feel in relation to the increased centralization of power in society. This applies to politics, the union movement and the popular movements.

6578

CSO: 3109/9

**COUNCIL OF EUROPE ASSESSES POLITICAL CURRENTS IN TURKEY**

Istanbul TERCUMAN in Turkish 14 Sep 81 pp 1,14

[Article by Nur Batur]

[Excerpt] Ankara--Beginning this week, Turkey will be included on the agenda of various European political organizations.

The topic, "political developments in Turkey and steps being taken to return to democracy," will be discussed by the Council of Europe and the European Parliament as well as by the North Atlantic Assembly, which is made up of members of parliaments from NATO member nations.

First, political developments in Turkey and Turkey's position in the Council of Europe will be dealt with in the Political Affairs Commission that will meet today in Liechtenstein. Furthermore, it is expected that time will be spent in the Legal Commission on the laws passed recently in Turkey.

Following the 2-day meeting of the council's Political Affairs Commission, the Assembly of Members of Parliament will discuss, from 30 September to 8 October, the situation that exists in Turkey.

According to political circles in Ankara, because Political Affairs Commission reporter Ludwig Steiner's visit to Ankara has been postponed until November, a decision against Turkey is not expected to be made at the meetings held this month by the commission or the Assembly of Members of Parliament.

Council of Europe Political Affairs Commission reporter Steiner and a delegation composed of members of the Legal Affairs Commission will come to Ankara the first week of November to hold talks with government officials.

Political Affairs Commission reporter Steiner will discuss the political developments of the past 6 months in Turkey and will prepare a report.

The Council of Europe Political Affairs Commission will meet again on 17 November and will consider the topic of Turkey's membership in the light

of the delegation's report. In January, it will submit its recommendation to the Assembly of Members of Parliament.

#### January Decision

Diplomatic observers point out that the basic decision related to Turkey's membership will be made at the Assembly of Members of Parliament meeting to be held in January, but add that a decision regarding Turkey could also emerge at this month's meetings.

Observers report that, if the views of the communist and socialist members gain strength, the parliamentary members may decide to freeze Turkey's status regarding membership.

#### European Parliament

The Political Affairs Commission of the European Parliament, which is composed of members of parliaments of EEC member nations, will review Turkey's situation at a meeting beginning 23 September.

On 10 April, the European Parliament decided to delay Turkey's membership, but this decision caused a huge reaction. The parliament's Political Affairs Commission reporter Von Hassel and a delegation of British, French, and West German members of parliament came to Ankara in June to hold talks and then drew up a report. The delegation asked that "the 10 April decision of the parliament be changed and Turkey be recognized at the specified time."

The delegation's report will be discussed at the 2-day meeting of the Political Affairs Commission and recommendations will be submitted to the parliament's general council, which will meet in Strasbourg from 12 to 16 October.

According to various sources, the parliament, at the meeting that convenes 12 October, "will consider the positive developments that have taken place since the 10 April decision to delay Turkey's membership and will revise the decision accordingly. Those who oppose the decision are calling attention to the campaign being carried out against Turkey in Europe by leftist groups."

In the meantime, the European Parliament will hold a meeting today in Strasbourg, France. Turkey is not on this meeting's agenda, but observers report that the subject of Turkey may still be brought up at the meeting.

The North Atlantic Assembly, which is composed of parliamentarians from NATO member nations, will also decide whether or not to extend the term of office of the Turkish delegation. Prior to the assembly meeting, chairman of the southern wing subcommittee, Van Der Stoep, and the committee reporter will come to Ankara to hold talks, possibly in the middle of

September. The assembly will decide, in the light of the report drafted at the conclusion of these talks, whether or not to extend the Turkish delegation's term of office.

Meanwhile, another significant debate from the standpoint of Turkey's membership will take place in the "Local Offices Permanent Commission," which is comprised of local administrators selected by member countries of the Council of Europe.

At a meeting held in June, the commission decided to reduce Turkey's membership to observer status. However, minister delegates, disapproving of the commission's proposal, established a bureau to examine the official documents of the members. The bureau, formed within the framework of the permanent commission, will probably meet in October to make a decision on the topic of Turkey's membership. It is still uncertain as to the manner in which Turkey will participate in this meeting. However, Turkey was represented by Ankara's governor at the last commission meeting.

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CSO: 4654/171

## PHYSICIST QUESTIONED ON COUNTRY'S ATOMIC CAPABILITY

Istanbul GUNAYDIN in Turkish 14 Sep 81 pp 1,4

[Article by Fusun Arsan]

[Text] Prof Behran Kursunoglu received his university education in America and returned to Turkey in 1955. He has been a member of the Atomic Energy Commission and faculty dean at ODTU [Middle East Technical University]. Kursunoglu returned to the United States in 1957 and, for the past 17 years, has served as chairman of the "Theoretical Studies Center" in Florida, which conducts work to prevent harm due to atomic power throughout the world.

"Turkey can also build an atomic bomb easily. Turkey's scientific capabilities are sufficient to manufacture the atomic bomb."

These are the words of Professor Kursunoglu, a Turkish physicist and atomic scientist who is known by few people in Turkey, but who is very famous in world scientific circles.

Professor Kursunoglu, who is chairman of the Theoretical Studies Center attached to America's University of Miami, came to Istanbul with other renowned scientists to attend the European Physics Association congress. We spoke with Kursunoglu in a conference room of the hotel in which he is staying. In answer to a question, he replied, "In order to develop an atomic bomb, two elements are necessary from the outset. The first is an adequate number of scientists, and the second is money. It is easier to find money than to find scientists. When I completed my education in America in 1955 and returned to Turkey, there were very few scientists working in the country on physics and the atom. In the past 25 years, a large number of valuable physicists, chemists, and scientists in other branches have been trained in Turkey. In plain words, we now have enough experts to build the atomic bomb."

We asked, "Very well, in your opinion, should Turkey roll up its sleeves and manufacture an atomic bomb?"

Kursunoglu answered, "In my opinion, that is unnecessary. When developing nations build the atomic bomb, it can be said they do this more because of an inferiority complex than for defense. A small nation's development of the atomic bomb resembles the gnat's desire to bite the elephant. Today, America and the Soviets possess ten times the number of atomic bombs needed to exterminate all living things in the world, and Turkey should look for ways to defend itself against the atomic bomb. There is no such thing as protecting oneself against the A-bomb with the A-bomb. If there were, that would be the end of everything."

We asked Professor Kursunoglu why he lives and works in America today and not in Turkey. He responded by saying:

"After coming to Turkey in 1955, I was among the founding members of the Atomic Energy Commission. I served as dean at ODTU. However, going into the 1960's, I was involved in an extremely distasteful incident, and I made the decision to go to America. There, with the support of Robert Oppenheimer, the father of the atomic bomb, we formed the Theoretical Studies Center, of which I am, today, chairman."

We asked, "What type of work does this center perform?"

He replied, "Our basic goal is to develop measures to prevent nuclear war throughout the world. We work together with a large number of noted scientists. For example, Edward Teller, who is considered to be the inventor of the hydrogen bomb, is one of our members. We work in other fields as well. Some of our programs include measures to prevent international terrorism and programs to deal with problems of energy, population, food supply, and education in poor countries."

We thanked Kursunoglu, who is making intense preparations as chairman for the scientific forum to be held in November in Mexico on the topic of "changes in energy." He reported to us that this international forum will be dedicated to Ataturk.

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COLUMNIST ANALYZES REFERENCES TO 'ISLAMIC BOMB'

Istanbul MILLI GAZETE in Turkish 12 Sep 81 p 5

[Article by Mehmet Fahri]

[Text] When Pakistan's efforts to develop the atomic bomb were reported to the press, phrases such as "Islamic bomb" and "Islamic atom" began to be used.

What does "Islamic bomb" mean? What is an "Islamic atom"?

If it can be said that there is an Islamic atom, then, likewise, there is a Christian atom.

And a Christian car as well as an Islamic automobile.

Whereas no one even considered speaking of a "Christian bomb" though the Christians possessed the atomic bomb for years, why, now that Pakistan is attempting to build an atomic bomb, is this bomb being given a religious designation? This is impossible to understand.

One wonders if this expression means that the crusader mentality is being resurrected among the Christians.

If this term is evidence of a mentality that divides the world into two categories, those who are Christian and those who are not, then it would be useful for us to examine the problem from the same viewpoint, to evaluate the West's attitude from this angle.

Likewise, if this issue does not emanate from the West, but is the result of the officiousness of some of our newspapers, then it is necessary to caution those responsible. Tolerance and forbearance of such license is not correct. If the problem is not a product of officiousness, but one of ignorance, then it must be a source of embarrassment for those newspapers, because, if we begin to pursue the problem by discriminating among Muslims and non-Muslims, look at what will happen.

It will be necessary to call petroleum extracted in Islamic nations Islamic oil and that extracted in nations other than these Christian oil or some other name.

Since it will be necessary to call such cars as the Ford, Chevrolet, and Mercedes Christian automobiles and cars such as the Anadol and Murat Islamic automobiles, even to think of such a thing is extremely comical.

And how is it possible to change the name of the 30-year-old atomic bomb to "Islamic bomb" all of a sudden? What is the reason for this?

If the question is one of explaining that Muslims also possess the atomic bomb, then the issue is so obvious that it is not necessary to make such a statement. Is it necessary for Pakistan, which is building the atomic bomb, to change the 30-year-old name of the bomb built in Pakistan because it is an Islamic country?

Let us state immediately that the purpose is not to change the name of the bomb. The purpose is to state the uneasiness felt due to an Islamic country's manufacturing the atomic bomb. For years, Westerners did whatever they could to prevent Pakistan from developing the atomic bomb. They put various forms of pressure on Pakistan. They even went so far as to impose an economic embargo. When, despite all this, they could not prevent Pakistan from making the atomic bomb, they sought, by changing the name of the bomb, to create psychological pressure on other nations. This is the underlying reason for transforming the 30-year-old name of the atomic bomb to the Islamic bomb.

Westerners, accustomed to exploiting Islamic nations to their hearts' content for almost half a century, have become carried away in their anxiety over Pakistan's atomic bomb. They are experiencing alarm in seeing their hegemony over Islamic nations slowly disintegrating.

But, let them do what they will. It is no longer possible to prevent the awakening of the Islamic world. And Westerners know this. It is for this reason they have changed the 30-year-old name of the atomic bomb to the Islamic bomb.

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CSO: 4654/176

## KURDISH PRESS CONTINUES TO BLAST 'FASCIST JUNTA'

Stockholm RIZGARIYA KURDISTAN in Turkish Jul-Aug 81 pp 3-5

[Text] The imperialism-bound Turkish monopolistic bourgeoisie brought about the 12 September fascist military junta under the leadership of the gang of generals for such purposes as to assert the authority of the state, to review the colonialist system so as to facilitate oppression of the Kurdish people, to change the bourgeois laws which were becoming a "stumbling block" to their own interests, to restore the respect of the state institutions which had lost their respect because of feuding among the ruling classes and social opposition, to root out the revolutionary struggle of our proletarian peoples, "to erase" socialist thought from their minds and books, to make official state ideology the rule of the day, to restore the honor and dignity of the Turkish flag and national anthem, and so on. The fascist military junta came to power with these basic duties in addition to its regional and system-related duties in Turkey. Heading the list of the fascist military junta's most basic international duties is protecting the interests of imperialism and monitoring and suppressing the Middle East and the progressive, revolutionary and national liberation movements in the Middle East on behalf of imperialism.

From the moment it came to power, the fascist military junta carried out these duties successfully within the framework of the capitalistic plan and with the open support of the imperialists, quickly showed by its every act and implementation that it was the enemy of the proletarian peoples, revolutionary thought, humanity, goodness, beauty and the like and began to flaunt its massacres with attack after attack.

The fascist military junta did all this acting within the framework of a step-by-step CIA program and today is trying to perform these tasks with new tactics and methods.

The fascist, colonialist military junta is pursuing with total absorption its efforts to "root out" the struggle of the proletarian peoples, to eliminate revolutionaries and to wipe out humanity. It conducts its raids with concrete methods and a variety of tactics. Its tortures are of a loathsomeness beyond human logic, harking back to Hitler, Mussolini and Franco. Not content with the arrest of thousands of revolutionary, patriotic and socialist individuals of the proletarian peoples, it throws them into death cells in the prisons, gives them no food, leaving them to starve, refuses them permission to see and talk with visitors, or if a visitor comes, refuses them permission to talk if they know no language other than Kurdish, prohibits their meeting with lawyers, attempts to leave them defenseless by threatening the lawyers and denies their right to defense in the courts. Political prisoners who, despite

all, put up resistance in the courts, defend revolutionary thought and raise the standard of the proletarian peoples are taken to the torture chambers before they even get to prison.

A few of the revolutionaries arrested to date in Turkey have been executed, while many have been given the death penalty and await the approval of the so-called "high" courts. The ruling classes and fascist military junta are making grand preparations for passing the death penalty for hundreds. In addition to the revolutionaries in the torture chambers and who have died under torture, there are thousands who have been maimed. The maimed and disease-stricken are under no circumstances allowed to see a doctor or go to the hospital and it is not even known how many have died of disease to date. Moreover, everybody knows today that hundreds of revolutionaries have disappeared. Everybody and all of our proletarian people also know that the ones who disappeared are the revolutionaries who were arrested and killed by the fascist military junta and whose bodies were not given to their families. Just recently, the bodies of some who had been tortured to death were found thrown on garbage heaps. Of course, after these bodies were found, the fascist military junta and its zealous torturers changed their tactics and it was discovered by our people that they bury the ones who die in places where no one can see them. Then the absence of bodies despite disappearances must mean that the military junta has new ways to dispose of the revolutionaries who die under torture: That would be the bodies are burned. Of course, it is neither strange, difficult nor highly unlikely that an administration which roasts revolutionaries in the furnace would burn the dead ones.

For the ones apprehended in their pursuit of revolutionaries, when they are shot down in their homes or in the streets, the junta usually says they were "seized dead in the clash." It flaunts these incidents of death before the press and drags the dead and martyred of our revolutionaries around by the feet while having the reporters take pictures. Of course, it can do this with impunity because social opposition has collapsed. The military junta must know that oppressed peoples and proletarian masses both in other world nations (Latin America, for instance) and in Turkey have experienced many temporary defeats in the course of historical development and have survived the full force of the massacres of fascist dictatorships. However, the struggles have not been prevented despite this, the social and national liberation struggles of oppressed peoples have not been prevented and most of these struggles have succeeded, leading to the emergence of a socialist world and the independence of hundreds of oppressed nations. The defeat of our proletarian peoples in Turkey also is a temporary defeat. The suppression of our proletarian peoples did not just begin with the fascist military coup of 1981. The repression, torture and massacres which the people of Kurdistan and Turkish proletarians experienced under the Kemalist bourgeois dictatorship between 1921 and 1938, the dates of the Kurdish national resistance, have not been forgotten. The massacre of 15 outstanding leaders of the TCP [Turkish Communist Party] in 1921 has not been forgotten. Repression of proletarians, intellectuals of the petit bourgeoisie and even of bourgeois ranks who opposed the DP during its time have not been forgotten. The pressure and torture of 49 Kurdish patriots in 1959 in the cells of the War Ministry have not been wiped from memory. The executions, killings by torture and convictions of high crimes after the 12 March military coup are times which our proletarians have not forgotten, which they survived and confronted bravely. None of this has prevented the struggle of the Turkish proletarians for independence, democracy and socialism. This repression, torture and massacre have not prevented the national democratic awakening

of the people of Kurdistan. The revolutionary struggle of the Turkish proletarian peoples has flourished anew, expanded and deepened after each period of oppression and dictatorship. Social opposition has grown, frightening the colonialist ruling classes and alarming imperialism. And today the colonialist ruling classes, the Turkish monopolistic bourgeoisie and the fascist military junta and the gang of generals who are the conduit of their oppression and dictatorship are having nightmares because they know that the revolutionary struggles of the Turkish proletarian peoples will flourish and grow and that a time of accounting will come after this period, too, and as a result, they become more aggressive every day.

Despite its announcements in the press and on Turkish radio and television that it had silenced social opposition and rendered "separatists" and "communists" ineffective through "injury, death and arrest," the fascist military junta takes the route of closing even CUMHURIYET newspaper, the historic maker and standard bearer of official state ideology, which published the tiniest of articles on torture concerning the junta. If an administration which says it has brought about the collapse of social opposition and rooted out the revolutionary movement is so alarmed about such tiny reports, it means that it fears for today, much less tomorrow. And it is justified in its fear, the gang of generals and the Turkish monopolistic bourgeoisie will have to account one by one for what they are doing today.

The fascist military junta is afraid of world revolutionary forces and world progressive public opinion and, in its fear of being backed in a corner by the struggle of world revolutionary forces, is issuing memorandums and threats right and left in an unending stream. The fascist military junta believed that the things it did after coming to power, the repression, torture, attitudes ignoring the "law," abolition of parliament and banning of democratic mass organizations, could be hidden (!) from world view. And moreover, it chose to act with impunity, forgetting that there is a progressive, revolutionary and socialist world, a proletarian front, ranged against the greedy world in which it lives, against the imperialistic colonialist system from which it draws support and on whose plans it acts. But the fascist military junta soon discovered that world revolutionary forces and progressive, revolutionary public opinion were fixed in place against the torture, pressure and fascist and colonialist actions in which it engaged against the Turkish proletariat, and it became alarmed by this. It sent delegations to all parts of the world to combat these reactions, protect its own position and gain respect in international diplomacy. An obvious ploy was to include in these delegations many professors, assistant professors and "intellectuals" who yesterday had told themselves, "I am a progressive, I am a revolutionary, I am a democrat." Still, the members who may be seen at this time in the category of Turkish "democrats" have demonstrated their treachery by supporting the fascist military junta on behalf of the "indivisibility of the state and the nation" of Kemalism and have proved once again, as well, how hard it is to be a democrat in nations where monopolies flourish and oppressed peoples and minorities exist.

In consequence of this reaction by revolutionary world forces and progressive, revolutionary world public opinion, the fascist military junta sent a note to Greece, reacting to the resolution adopted in the European Parliament against the fascist junta in Turkey. By suggesting that this resolution adopted by the European Parliament had been adopted under the "influence of separatists, communists and terrorists who fled Turkey for Europe" and that the majority of the votes which led to adoption of this resolution had been cast by communist parliamentarians, the fascist military

junta both cast aspersions on the European Parliament, an "international" organization, and tried to save face, thus exposed before the world, in the eyes of the Turkish proletarian peoples.

The military fascist junta is conducting racist, chauvinistic propaganda on radio and television and in the press, offering as a rationale the actions of Armenian nationalists, in order to distract the proletarian popular masses from internal problems (economic impasses, oppression and torture, unemployment and deprivation, the decline of morality, state terrorism, greed, etc.). It is stirring enmity among the proletarian peoples, ignoring and trying to avoid mention of the Armenian massacres of 1915. And it is trying to brainwash the proletarians against the Kurdish cause, again on the rationale of actions by Armenian nationalists. The military junta has taken these efforts beyond propaganda, turning to actions in Europe. Unknowing Turkish proletarians are being used in these actions. In doing this, it is said, "The father nation is being divided." Socialists of the sovereign nation have a great duty to save these proletarians from nationalistic, chauvinistic conditioning. Socialists must not delay even a moment in carrying out this duty. Proletarians must be saved from becoming the tools of the fascist military junta.

The military junta which says, "I have brought about the collapse of social opposition," and "I have rooted out the proletarian peoples," is also interfering in the Turkish Federated State of Cyprus, because it was even afraid of the demonstrations which its economic-democratic organization, DEV-IS [Federation of Revolutionary Workers' Unions], would make on 1 May, the international day of unity, solidarity and struggle of the working class. It acted on the rationale that demonstrations there would affect Turkey. However, this behavior on the part of an administration which is sure of itself, which says, "I have rooted out all elements of social opposition," which says, "I have saved the state and the nation from the separatists, communists and terrorists," says two important things: First, the fascist military junta is afraid of the proletarians and the proletarian peoples. Second, it is acting out of fear that it cannot completely eradicate social opposition. The fascist military junta cannot and will not be able to root out social opposition and the revolutionary movement in Turkey and in Kurdistan. Although the revolutionary movement has suffered a heavy blow, although some of its pedestals have crumbled, the basic foundation remains intact in Turkey and Kurdistan. The revolutionary, patriotic and socialist forces are strengthening the revolutionary movement through their efforts both "in the nation" and abroad (in Europe, in the Middle East), striving for the day when their sound structure will stand. The fascist military junta, all the imperialistic forces and Middle East reactionaries know about the efforts by all revolutionary, socialist and popular forces, which must come together against the fascist military junta, to form a unity of forces and the efforts under way for strengthening the warlike structure. And this situation frightens them, endangers their dominion, exposes them on all sides and brings their anti-humanitarian faces into the open.

The fascist military junta seems to have achieved a certain amount of success in this initiative regarding Cyprus, because DEV-IS gave up its demonstrations as a result of the pressure and decided to meet in a closed hall. (Although we do not know all the aspects of how this decision was reached, let us point out parenthetically that it was done resentfully.) And just as it was announced by the confederation leaders in the closed hall that what has to be done will be done, they also pointed out that they would let time be the judge in certain problems.

Although the military junta prevented the traditional celebration of 1 May in Turkey and the Turkish Federated State of Cyprus, all the world's revolutionaries and socialists, world proletarians, the oppressed peoples of the world, national liberationist forces and socialist nations, Turkish and Kurdish revolutionaries and socialists and Turkish proletarians in Europe will curse and expose fascist juntas and military dictatorships, imperialists, and oppression and exploitation of every kind in the world and in Turkey and, recognizing their class enmity, will prepare for the struggle ahead.

#### Oppression of Rural Proletarian Peasants Intensifies, Disarming Continues

The fascist junta has shown by everything it has done since it came to power that it is the enemy of revolutionaries, socialists and Kurdish patriots. And, based upon this, we evaluated the character and international relations of the military junta, reaching the following conclusions: "The military junta is fascist in character. And just as it is hostile to all progressives, communists and Kurdish patriots, it is the enemy of workers, peasants, all other proletarians and low-income groups, that is, all proletarian peoples," we said. We clearly recognized the fascist military junta's policy of oppression, torture and terror against all proletarian sectors and the people of Kurdistan. We heavily underscored the fact that because the military junta is antihumanitarian, anti-intellectual and the enemy of honor and dignity, it will treat inhumanely everyone, infants, children, women, old people and young people, who oppose or ought to oppose it. What we said, our observations and what all the revolutionaries (those who observed accurately) said soon proved true.

Today the fascist military junta is continuing with different tactics and inhumane methods its oppression of workers, peasants, revolutionaries and all proletarians. Just recently, it has resumed every sort of oppression and the cruelest of terrorism against the proletarian peasants in the rural areas (especially in the south). The reasons for these pressures against proletarian peasants are that the peasants are protecting the revolutionaries, hiding weapons and helping revolutionaries cross the border. Therefore, all the peasants are gathered in a square, given no food and water for days and tortured. They tell the peasants, "Turn over the revolutionaries to us; if you do not surrender them, report on them and turn over your weapons." When the peasants do not give in, they say, "Throw all your weapons somewhere else and we will pick them up from there; we will not do anything to you, we will not take you to court." The "seized weapons" announced every day on radio and television and written about page after page in the newspapers are weapons seized in this way. Peasants who do not surrender their weapons are watched and when they complain, they are tortured. Six village head men in Hatay who came face to face with this procedure were killed under torture just recently.

The fascist military junta has been afraid ever since it came to power of the armed, and arming of the proletarian peasant and has known that these arms would some day be turned against it. This is why it is concentrating pressures on the peasants and trying to get the peasants to support the junta. The colonialist ruling powers and the military junta know very well that this gambit and their repressions cannot solve the problem. But they have to resort to them to save their own lives, to install and prolong their own system and to be a policeman for imperialism in the Middle East.

## Fascist Military Junta Passes New Colonialist Law

This law has to do with borders. A control tower every 100 meters along the fenced and mined borders dividing Kurdistan into four parts would not have been sufficient to protect the interests of the colonialists Turkish Republic, so this law was deemed necessary. The law, of a colonialist character, proclaims an area 10 kilometers deep on Turkey's Iranian, Iraqi and Syrian borders military zones and introduces the problem of evacuating the civilian Kurdish population on the borders. Although the rationale offered for the law is "to prevent smuggling," it is impossible for our proletarian people and revolutionaries to accept this, just as the Kurdish territories confronted by many colonialist schemes are no stranger to this sort of thing. They know that this is idle talk and the Kurdistan populace shows its understanding of this rationale with a curl of the lip.

In passing this law, the colonialist fascist junta is acting on two basic pretexts:

First, even though each of the four quarters was shared out by separate states (Turkey, Iran, Iraq, Syria) under the imperialistic Lausanne dismemberment treaty, the territorial integrity of Kurdistan cannot be destroyed. And the people of Kurdistan will not cut off their relations with each other despite all the pressures, mines and fences in every period. Efforts will be made to develop their relations and gradually to make these relations into political relations.

Second, the transformation of the revolutionary democratic, national liberationist struggle conducted by the people of Kurdistan under four separate state structures into a single struggle throughout Kurdistan will be a weighty issue, objectively and subjectively. The colonialists will perceive this phase as a new, political and important phase, as well as a dangerous phase, and will resort to radical joint efforts because of this.

Turkey intends with this law to block the aid that patriots in Turkish Kurdistan try to give to the on-going national liberation struggle of the people of Kurdistan in Iraq and Iran, to prevent Northern Kurdistan patriots from crossing into those areas and to carry out joint operations with Iraq along the borders. Iraqi and Turkish colonialists just recently arranged a joint attack against the Iraqi Baathist left wing which is struggling against the Saddam dictatorship, causing many Arab democrats to be killed, a few to be seized and 19 to fall captive to the Iraqi KDP [Kurdistan Democratic Party]. (Two leaders from among the 19 captured and held by the Iraqi KDP have been killed. In other words, the Iraqi KDP is pursuing its old reactionary tradition, making no secret of its hostility to revolutionaries and patriots).

Also, the Turkish colonialists have recently been arranging frequent attacks on Kurdish villages in Syria in an effort to keep the Kurdish villagers from harboring Turkish revolutionaries. As the result of one provocation, one villager was injured, a Turkish soldier was killed and four patriots were surrendered by Syria. The massacre carried out in Syria at the end of 1980 is well known.

This law is also clearly reminiscent of the evacuation of Kurdish villages and their replacement by Arab villages in a 25-kilometer strip of the Kurdish region by the Baathist racialists after the 1975 defeat. To oppose this action and make it known before the world for what it is is a duty and all patriotic forces must fight this law without delay.

If all these things are understood, it is not hard for anyone to see the logic behind this law. It is a colonialist logic and a logic to which we and our people are not strangers. This logic has been used in the approach to the Kurdish people for many years. The Kurdish people have been looked down upon for years, they have been exploited, their surface and underground riches have been plundered, efforts have been made to wipe out their national identity and they have been massacred when they resist. Are these things not the result of this logic? However, no matter what the colonialists do, the struggle for the liberation of Kurdistan will be with them. The colonialists created this misfortune when they divided up and colonized Kurdistan years ago! This "misfortune" will be with them as long as they continue their occupation, plunder and general oppression in Kurdistan.

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## ILICAK EXPLORES ROLE OF AN IMPARTIAL TRT

Istanbul TERCUMAN in Turkish 6 Sep 81 pp 1, 14

[Article by Nazli Ilıcak: "TRT"; passages enclosed in slantlines printed in bold-face]

[Text] The press is a very important power in nations run by democracy. Publishing organs reflect different opinions, making possible a broadly informed public opinion. Newspapers have not achieved the ideal impartiality even in the most developed nations, but the free expression of ideas allows the sifting of the various interpretations of events, enabling the citizen to form a personal opinion. Thus what is basic is not an impartial press, but a press with many voices.

"/"Impartiality"/ becomes important when there is a question of press and broadcast organs under state /monopoly/. As there are not many voices, /impartiality/ becomes an imperative, to reflect many views at once. This has been clearly set forth in the TRT [Turkish Radio and TV Administration] Law:

Article 1: /An impartial public corporation is established under the name Turkish Radio Television Corporation./

Article 2: /Broadcast principles: To be bound by the principles of impartiality ...in the gathering, selection and broadcast of news; To distinguish between news and commentary; To prepare broadcasts in the nature of commentary so as to include opposing views.../

The TRT was given over to a new administration after 12 September and the rationale for this change was to ensure "impartiality." However, it has not been possible to form the impartial medium described as the reflection of different views on crucial questions and the interpretation of events from different points of view, and television has become a single voice, and therefore a boring box. The frequency of programs on Ataturk seem to be the doing of a mentality that would alienate the nation from Ataturk. We think it well to point out in addition that the ingratiating tone of some televised ceremonies is having an adverse effect on the public. Certainly important events and anniversaries should be marked, but they should never be overdone. Those who would be more royal than the king are "knocking out an eye while trying to arrange an eyebrow."

If television is used prudently, it is a very effective medium. But it is first necessary to keep the viewer from turning it off. State monopoly should not lead to single-voice broadcasting and television should not become a means of reinforcing mental laziness.

The TRT broadcasts programs on certain nations, probably with the intent of supporting the state's policy of friendship. Romania is a perfect example; Libya has become one, too. Is it necessary to give more attention on the screen to nations whose ideologies and regimes are so remote from ours? At least these countries should be treated from the standpoint of tourism or our historic and economic ties. But their regimes should not be touted as desirable, because Turkey has turned its eyes to the enlightened nations of the West, to free democratic regimes.

The days ahead will be filled with a variety of problems. Television has not been attuned to the issues of concern to the public in past months. At least from now on, there should be more dynamic programs evincing the concept of intelligent broadcasting.

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## OZYORUK STRESSES REFORM IN ADMINISTRATIVE LITIGATION

Istanbul TERCUMAN in Turkish 3 Sep 81 p 4

[Article by Mukbil Ozyoruk in the column "The Decision is Yours": "Administrative Litigation Reform"; passages enclosed in slantlines printed in boldface or capitalized]

[Text] What prompts us to turn once again to the "New Constitution" and "Administrative Litigation" is a very short article which appeared in the press under the headline "New Council of State Basics Identified." The report first notes that a draft to replace the current Council of State Law No 521 of 1964 has been prepared by a commission under the Ministry of Justice and submitted to the [National Security] Council General Secretariat, then states briefly that certain new provisions appear in this new Council of State law for the resolution of civil service-administration disagreements. "Regional Administrative Courts" are mentioned, brief information is given on the "Council of State's new area of duty," the "suspended execution" problem is touched upon and a line or two is devoted to two "extremely important points: /1. No basic change will be made in the Council of State law... 2. Execution will not be suspended in hearings of dispositions "as to intent..."/ (GUNAYDIN, 31 August 1981).

The report is brief, but it says a thousand times more than its size would indicate. Assuming the report to be accurate, it is our duty to present our thoughts on these matters quickly and briefly, because it is also stressed that the new Council of State law is expected to be approved and placed in effect "during September."

/What we are going to say right now is a comment which will ultimately have to be made and we must beg that this comment be conveyed by those assigned to keep up with the press to the National Security Council General Secretariat and to the distinguished Council: It is, in a word, "impossible" for Administrative Litigation reform to be drafted this quickly/ (and let us still submit despite our profound respect for them) /by "Justice Ministry Experts" exclusively in a nation which accepts the "duality of litigation."/ "Council of State law" is to say "Administrative Litigation Reform." Administrative Litigation (and Administrative Law) is so different from Private Law--the purview of Judicial Litigation--and all its branches and from Criminal Law as to be two poles; it is /"a Field of Law"/ treated by a completely different expertise and /a completely independent "area of the Law."/

The experts of the Ministry of Justice, for whose theoretical and practical knowledge and professional experience we have the utmost respect, /indeed, all the jurists in

the country in the areas of Criminal Law and Private Law and all of our former or present supreme court judges may draft laws of extraordinary value in the areas referred to in the former case above which regulate the concept and conduct of "litigious public service" in the courts of Justice. Criticism of their projects and endeavors in these areas is not up to us. However, I sincerely submit that no matter how many members of the Council of State sit on the relevant commission, no matter even that certain "Professors of Administrative Law" participate, an /administrative litigation reform/ [capitalized], a "modification of Legal Procedure" in the "new era" launched by 12 September is not something that can be accomplished in 3 to 5 months af if drafting a customs law or writing a Tax Law, that could be accomplished /in advance of the new constitution/ [capitalized], in any case! /

For those who detect an "air of frenzy" in my exertions, it is only fair to us for them to read what we have to say next on this matter. If the question were one of another temporary "review" of specific powers of Administrative Litigation over dispositions concerning certain limited administrative activities, we would have nothing to say about it. /However, if the endeavors come within the range of an "Administrative Litigation Reform," as any jurist familiar with Administrative Law would immediately recognize as true, the outcome can only be "disappointment," because civil (litigious) oversight of Administration in the Republic of Turkey is not a question "possible to accomplish" in 3 to 5 months, in 10 months or 15 months. And let me add: This question is in no way a question possible to resolve with a "deep specialty" in any other area of the law. Above all, it definitely is not a matter which can be taken to hand in advance of the New Constitution. /

If you think I am raving, I am; because no matter how I look at it, /I am a citizen who believed as sure as two and two are four in the /essentiality, necessity/ [capitalized] and, consequently, the /legitimacy/ [capitalized] of 12 September and who sees the /"future"/ [capitalized] of my country and my State in the absolute success of this /action/ [capitalized]. I have written many times that those who consider the "absolute success of 12 September" to rest exclusively or /proportionally/ [capitalized] on the shoulders of those in the forefront of this action and of the Council are "out of it." /The absolute success of 12 September is a question of Turkey's /fate/ [capitalized]. And it is "everyone's duty," without exception. /

No, /administrative litigation reform/ [capitalized], a definite and radical need of the Republic of Turkey, cannot be brought about with a few "palliative measures," and neither can it be accomplished in 3 to 5 weeks or 3 to 5 months.

8349

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## FOREIGN MINISTRY OFFICIAL: DEFENSE CREDIBILITY IN CRISIS

Helsinki HELSINGIN SANOMAT in Finnish 13 Sep 81 p 2

[Article by Rene Nyberg: "Credibility of Defense Forces Essential in Controlling a Crisis"]

[Text] The writer is a political science candidate and is working as a foreign affairs secretary in the research section of the political department of the Foreign Ministry.

Every country has its security policy problems. They are frequently unsolved, but they should not become uncontrollable. A complete solution to security policy problems is only possible through subordination and accommodation. Moreover, a solution during this era of nuclear weapons is no longer possible by conventional warfare. This holds true particularly in Europe where there is the largest concentration of weapons and armed forces in world history.

Since we are not able to eliminate these problems, we must learn to live with them. This, on the other hand, presupposes that we make an attempt to predict crises, prevent them from turning into aggravated conflicts, and control problems before they develop into a crisis. The control of a crisis is one of the most important forms of operation in today's international politics.

## Threat of Nuclear Weapons

According to Albert Einstein the world will never be able to be the same after the invention of the atom bomb. Still the first conclusions drawn from the megatons of mushroom clouds were too quick and frequently wrong.

The horrible vision of total nuclear war, which would be waged by pushing buttons, has not turned out to be a correct prediction. To the contrary, nuclear weapons have for the time being effectively prevented a direct conflict between the super powers.

Nuclear weapons are not weapons in the conventional sense, in other words, weapons that could be applied by forceful means for the purpose of promoting a policy after all other means have been exhausted in accordance with the Clausewitz doctrine.

Nuclear weapons are not necessarily even intended to be used. Nevertheless, they have turned the means of warfare upside down. They make complete destruction

possible in a short period of time, and their use does not even presuppose the occupation of enemy territory since even in the throes of death a country in combat can pull its opponent down with it with nuclear weapons.

No nuclear country has been able to permanently change the reality of the political environment by the possession of nuclear weapons. Their possession has possibly prevented an attack and nuclear extortion, but even this argument is disputable and it has not been proven.

Thus nuclear weapons have not eliminated the significance of the conventional defense of nuclear states. They have, to the contrary, emphasized the necessity of conventional weapons so that a country would not be forced into nuclear warfare due to the lack of a conventional defense. This is one of the paradoxes of the nuclear era. In spite of the high level of development in weapons technology the political usage threshold of nuclear weapons continues to be exceptionally high.

#### YYA [Friendship, Cooperation, and Mutual Aid] Agreement

If a final solution to security policy problems is not possible for any country, then how is Finland able to deal with its own problems? Our country's consistent aspiration since the war has been to develop confidential relations with our super power neighbor, the Soviet Union. This has brought us to the conclusion, which confirms Paasikivi's old teaching, that the Soviet Union's -- or as Paasikivi said, Russia's -- interests with respect to Finland are defense related.

This according to my understanding is also the essence of the YYA Agreement. In other words: as long as the northwest portions of the Soviet Union, Murmansk and Leningrad, are not threatened through Finnish territory, Finland's security is also guaranteed. If the situation in our immediate vicinity should change, the Finnish Government should have means at its disposal for strengthening our security and controlling a crisis.

Finland's whole postwar foreign policy has been aimed at deepening the trust achieved so far and has strove to secure the continuation of the prevailing stable situation in Finland's immediate vicinity -- particularly in the Nordic area. It is also against this background that Finland's foreign policy initiatives, above all the ideas concerning a nuclear-free Nordic area, should be examined.

It is clear that there is an emphasis on such activity in foreign policy. But as a support for such a policy -- particularly for controlling a crisis -- there must also be a resilient military defense. Indeed, the controlling of a crisis today presupposes much more, an economic defense and an operational civil defense, among other things.

#### A Crisis Situation

In clarifying situations that could possibly endanger Finland's security we need not necessarily compile classic threat-analyses. It is sufficient to know that the greatest threat to Finland's security will be caused by such an international crisis which includes Europe and above all our immediate vicinity, the Nordic area and the Baltic Sea.

In its report the Third Parliamentary Defense Committee states, among other things:

"A gradually deteriorating situation, which can take a long time before relations between parties break out into open warfare, is more probable in our part of the world than a war that breaks out suddenly.

"In a situation in which military readiness has been increased in the vicinity of Finland, our chances of remaining outside of a long-term crisis depend, on the one hand, on a trust in our security policy line and, on the other hand, on the degree to which we are able to keep watch over and defend our territory."

Such a crisis can take many forms and features and it is impossible to attempt to predict its precise course. It is essential that everyone is conscious of the existence of the danger of nuclear war and this presumably restrains the parties concerned.

Just as a crisis may become aggravated or escalate it may also abate or deescalate. It can be short, but it can also last for a long time. The time factor is from Finland's point of view essential since in a rapidly developing situation days can be decisive. Maintenance difficulties endangering the uninterrupted operation of society, particularly in the area of foreign trade, are also part of a crisis.

#### A Gray Period

The crisis described here is a situation which can no longer be called peace, but it is still far from war. In question is a kind of gray period in which the whole security policy structure built since the war would be put to a test. The control of this kind of a crisis is not possible without support from the defense forces for our foreign policy leadership.

Therefore, it is important that Finland's actions also anticipate such a situation in which foreign policy means alone are no longer sufficient. It could also result in a militarily aggravated situation, which would make implementation of Article 2 of the YYA Agreement timely. It talks about consultations in the event that "the threat of a military attack has been confirmed".

When we examine Finland's defense forces and the resources at their disposal, we have reason to pay particular attention to the tasks of the defense forces in the above-mentioned "gray period". This is the most probable situation that may be faced by Finland's defense forces. It is also the most realistic obligation given to the defense forces in time of war.

The value of the military is measured purely by professional criteria, and in this area there are no compromises. There is reason to remember this since the credibility of military defense is one of the most important preventive factors. We must have a defense force applicable to our conditions, the readiness of which can be increased depending on the total picture and flexibility in accordance with our needs.

#### Credibility

The demands placed on Finland's defense forces are thus limited and also realistic.

If we were to find ourselves in a situation in which the rules of the international game of politics are deceiving, the defense forces would make themselves ready for that final extreme measure which the government has at its disposal.

The above-mentioned points of view, naturally, emphasize the importance of the ability to prevent territorial intrusion particularly in a tense situation. However, we must not forget the unyielding criteria of the credibility of military defense as well as the preventive significance of credibility.

Considering Finland's conditions and our resources, the real emphasis of defense cannot be in the air or at sea. Therefore, the development of the army to correspond with those tasks which would be required of the defense forces in a possible crisis or in a war is the most important task in the development of our military forces and an imperative condition for the effective control of a crisis.

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## CHANGES IN ARMED FORCES PERSONNEL LAW REPORTED

Istanbul CUMHURIYET in Turkish 23 Jul 81 pp 1, 9

[Text] Ankara (CUMHURIYET BUREAU)--The National Security Council [NSC] approved the amendment of Turkish Armed Forces Personnel Law No 926.

According to the amendment of the relevant article of Law No 926, peacetime Armed Forces will have 170 generals in the Ground Forces, 34 Admirals in the Navy, 58 generals in the Air Force and 12 generals and admirals in the Gendarmerie General Command.

The revised Ground Forces approved by the NSC break down as 9 generals (including Gendarmerie), 21 lieutenant generals (including Gendarmerie), 44 major generals and 96 brigadier generals. The quota for naval admirals has been altered to 2 full admirals, 4 vice admirals, 8 rearadmirals and 20 commodores.

The new law amending article 49 of Turkish Armed Forces Personnel Law No 926 sets the quota for generals in the Air Forces Command at 2, lieutenant generals as 8, major generals at 16 and brigadier generals at 32. Quotas for the Gendarmerie General Command in the ranks of general and lieutenant general were left intact in the numbers shown for the Ground Forces. The Gendarmerie General Command's quota for major generals is 4 and for brigadier generals, 8.

Another change in the law introduces a new basis for determining "officer service billets in the Turkish Armed Services." The change reads: "Applicable billets will be set each year after 30 August in accordance with service requirements by the Office of the General Staff upon the proposal of the Force Commands.

"The number of colonels within these billets will be set each year by the Supreme Military Council. Colonel billets set by special laws will be in addition to this number.

"Colonels who have completed their time in grade will be retired from nonactive duty in numbers set by the Supreme Military Council as being in excess of service billets for that year.

"Colonels whose retirement from nonactive duty is not deemed appropriate because of service requirements will continue in service for that year. Their ability to remain in service in subsequent years will be decided each year by the Supreme Military Council."

The following provisions are also contained in the amendment regarding designation of rank quotas pertaining to generals and admirals in Turkish Armed Forces Personnel Law No 926:

--Annual quotas for each rank are the basis for determining rank figures.

--Because of peacetime reduction, realignment and reorganization or altered service requirements, changes may be made upon the proposal of the Chief of the General Staff and by decision of the Supreme Military Council in the rank figures shown for brigadier general, major general, rear admiral and commodore, with the proviso that the overall total remains the same.

--The revised quota figures for brigadier general, major general, rear admiral and commodore are to be adjusted accordingly.

Moreover, as it is impossible to set annual quotas for each promotion year for generals and admirals, the Supreme Military Council will decide on the basis of billet and service requirements in which years annual quotas will be used.

--Those placed on the promotion list each year will be promoted to a superior rank on the basis of quotas for the first year of the rank to which they would be promoted. In this way, the first-year quota pertaining to that rank may be raised in the promotions made if the general-admiral billets are not filled. However, generals-admirals promoted by raising the year quota will be extra to the quota figures shown until expiration of their time in grade at the end of the third year at the latest and will be subject to evaluation at the expiration of their time in grade.

#### Another Change

By another change in Law No 926, each year a maximum of 6 generals and admirals whose continued service at their present rank is deemed necessary may continue to serve in rank for 1 year by decision of the Supreme Military Council.

At most, 4 major generals and rear admirals who are unable to be promoted to lieutenant general and vice admiral will be held subject to review by the same principles 3 years later. Upon the proposal of the Chief of the General Staff, the Supreme Military Council may decide to raise the 6 generals and admirals designated above to 10 and the 4 generals and admirals to 6.

Another change in the law revises the causes for separation by reason of billet unavailability. The revision in part is as follows:

For lieutenant colonels and colonels, a requisite number of lieutenant colonels may be retired in order to maintain billets based on service needs, starting with the most senior who have the lowest career ratings among their service peers.

"Colonels who were not promoted when their time in grade was up or in subsequent years will be retired as needed, starting with the most senior and least unqualified for promotion from among their service peers.

Another change in Law No 926 has altered the age limit from 52 to 55 for captains appearing on lists that specify the normal time in grade for promotion from junior officer to field-grade officer.

Meanwhile, the law on Military Judges has been amended to allow the provisions of Turkish Armed Forces Personnel Law No 926 to apply in the promotion of judge-advocate colonels and naval captains to general and admiral and of generals and admirals to a higher grade.

According to the amendment text approved by the NSC at its meeting yesterday, average ratings and the evaluation rating given by members of the Supreme Military Council will be influential in the promotions of judge-advocate colonels and naval captains and judge-advocate generals and admirals.

In the old law, only seniority was recognized in the promotion system applied in the Military Supreme Court of Appeals.

According to the system now to be effective in the Turkish Armed Forces and henceforth also to include military judges, the total of average career ratings and the evaluation rating given by the members of the Supreme Military Council will comprise the eligibility rating, and billet requirements will be filled by promoting colonels and captains to general and admiral, and generals and admirals to a higher grade from the eligibility list, starting with the highest eligibility rating.

8349

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## PLIGHT OF TURKISH WORKERS, FAMILIES IN GERMANY EYED

Istanbul TERCUMAN in Turkish 5 Sep 81 p 2

[Article by Professor of Education M. Cagatay Ozdemir: "Turkish Workers and Their Children in Germany"]

[Text] Because of the crisis in Turkey in recent years, any action by the state on the gradually worsening problems of our citizens working abroad has been impossible. Being occupied primarily with events of terrorism, radio, television and the press perhaps considered it unnecessary under the grave circumstances of the time to report what was happening in Germany. Although a visible lassitude exists in the press today, we may say that a general air of relief is echoed in the press. We would like to draw the attention of state authorities and the public outside the country for a moment, presenting a picture of the economic, social and cultural status of our citizens living abroad, especially in Germany.

The labor migration to Germany, which has been going on for more or less 20 years, is still vigorous today. It is a known fact that the pull from Germany and the shove from Turkey have continually encouraged this migration. The wave of migrant labor, having its source in the structural characteristics of the two nations, has far exceeded the figures of first estimates. In addition to Germany's growing attractiveness during these 20 years, economic and political conditions in Turkey have caused the movement of the Turkish labor force to Germany and other nations.

The Turkish population in Germany has continued to grow despite the firm decision by the federal government to stop hiring in 1973 when the West German labor force reached the saturation point and the conjunctural fluctuation of 1966-67. This growth in the Turkish population stems from the reunification of families and the introduction of children. Meanwhile, it has been gradually becoming harder to get through the German border gates, leading those seeking job opportunities in Germany to request asylum with political unrest in Turkey as a pretext. If we take into account also the numbers who come as tourists and work without permits, we may comfortably say that the Turks are the most overcrowded and underprivileged community in Germany. According to data obtained from the Federal Statistics Office, the course of development of the Turkish population in West Germany between 1973 and 1979 is as follows\*:

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\*Source: Federal Statistics Office, February, 1980

| Year              | Population |
|-------------------|------------|
| 30 September 1973 | 920,000    |
| 1974              | 1,028,000  |
| 1975              | 1,077,000  |
| 1976              | 1,080,000  |
| 1977              | 1,118,000  |
| 1978              | 1,165,100  |
| 1979              | 1,268,000  |

As will be seen from the figures, there is a question of growth in the Turkish population, as opposed to the reverse for other nations.

### Culture Shock

Turkish workers and their children comprise the largest sector of the foreign work force, and their numbers approaching 1.5 million, their potential problems, the means of mass communications and their official and unofficial organizations are matters of great concern. The reason why the Turks, with their capacity to be the most problematic community among the foreign workers, have become so controversial must sought in the fact of their being Eastern and Islamic. It is true that Turks, coming from an agrarian society to an industrial society to sell the strength of their backs and the sweat of their brows, suffer a more devastating "culture shock" than other foreign communities. The symptoms of this "culture shock" have begun to become even more apparent with the arrival of families. Educational problems in particular have reached the point to pose a threat to social peace. German politicians, moved to take note of this danger albeit late, are hinging their "foreigner policy" on the children of foreign workers. The program before the German government at the moment envisages integration into German society of foreign workers, and especially of their children. The focal point of the program is the integration of foreign workers' children through occupational channels. We are now witnessing a situation in which workers who came some time ago to work in Germany are passing into the background and the second and third generations of foreign workers' children are attracting Germany's attention. The watchword "Germany is not a nation of immigrants," the cornerstone of its "foreigners policy," seems to have been shelved after the painful practices of the past 20 years. However, it is still impossible to claim that this watchword has lost its validity. The experience of living for 20 years among foreigners and the German people is a negative one for foreign workers and especially the Turks. The German people have not yet abandoned their aloofness from foreign workers. It would be too optimistic to expect German society to abandon its aloof attitude as it becomes more troubled by the problems of foreign workers' children.

### Expected Outcome

The question to be asked as far as Turkey is concerned today is: Will these children be condemned to a life of labor exactly like their mothers and fathers? And the answer is: "Yes! They will be laborers exactly like their mothers and fathers!" Turkish children, treated unjustly in the German Education System, have a low success rate in post elementary schools, and this is why the officials arrive so confidently at this conclusion. It is true that among Turkish children, the rate of those who leave without finishing Basic School (Hauptschule) is as high as 70 percent. The

doors to upward mobility are closed in their faces at an even earlier age for the Turkish children who have no chance of continuing on to the "real schools" and high schools. In recent years, many parents who are working in Germany have ensured the laborer status of their children by bringing them to Germany from Turkey before they turn 19 years old and enrolling them directly in vocational courses. These young people, earning the right to obtain a work permit after a 6-month demonstration course, consent to some status such as assistant laborer with no economic value and rush in to help the German economy. Officials, figuring that these young people who are thrown into the workaday world without preparation for the living conditions in Germany would create serious problems in the future, seem to have taken the first step by passing a law to facilitate the naturalization of foreign youths. However, no one thinks "the problem has been solved by this law." It is known that dealing with one dimension of the problem will only cause worse symptoms to appear. As compared to their parents, these youths will reach an awareness sooner or later of their deprivation of basic rights within a foreign society, and "integration and assimilation programs" are being put into practice to prevent their conflict with society. How successful these programs, intended to integrate foreign youths socially, will be is still a matter of debate. The content of these programs, deliberately drafted at the sacrifice of the parents of these youths, is of a nature to exacerbate the existing conflict between these youths and their families. If we were to look at the problem from the standpoint of Turkish workers and their children, we would see that the situation is not at all heartening. The Turkish children show all the signs of a full-blown crisis stemming from having grown up in a climate of double standards based on a bifurcated culture, and it should be equally as troubling to Turkey as it is to Germany that they are always at the bottom of the heap when it comes to training and education. It is impossible to find any argument to explain the mind boggling silence on the part of the Turks in this regard. In any case, even though Germany is hinting at making the Turkish children its own, these children are first and foremost our children. First, it is necessary that we take care of our own. The state must extend a helping hand to these children starting now and must do whatever has to be done within the framework of our national interests to prevent these children from becoming the "outcasts" of German society of the future.

#### Must Not Be Left Alone

Meanwhile, we see that attention is once more being focused on foreign workers because of the confirmed growth of unemployment in Germany in recent months. At any rate, even though passage of a new law in 1980 guarantees "the right of workers who have lived in Germany for 5 years without interruption to be granted an indefinite residency permit," the following clause in the second paragraph of this same law dealing with the "residency permit" shows that this granted right has no legal foundation. Herewith paragraph 2: "If the presence of a foreigner does not conflict with the interests of German, that foreigner may be granted a residence permit." The deciding authority as to what constitutes Germany's interests is the immigration police. If the immigration police deem a situation or activity contrary to these interests, this right of indefinite residency granted by the new law becomes totally meaningless. In addition to the precariousness of the residency permit, most foreign workers, recent trainees or unskilled workers face deportation should they be victimized by economic crisis. These workers, totally lacking any chance of occupational advancement because of language insufficiency, have concentrated in recent years in conjunctionally vulnerable areas such as construction, textiles, the garment and automobile industries and tourism, and this works against them. For all of these reasons which we have considered here, our people trying to make a living abroad are seeking some bulwark

in the storm. The need is clear for a series of measures to be taken by the state to extract them from the precarious situation into which they have fallen and to enable them to look to the future with confidence. Even while admitting that the movement of Turkish migrant labor tends to become permanent at its destinations, no one has the right to leave these people completely on their own. The road to preventing the hundreds of thousands of Turkish citizens working abroad from being looked upon as "third class" humans leads by the negotiating tables where the authorities of each nation must sit to make the decisions and see that they are carried out.

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